



Enter Keyword or Phrase...



Accounting

Budget & Planning

Commissioner

Facilities

General Services

ITSD

Personnel

Purchasing

Executive Budget

Governor's Letter of Budget Transmittal

Expanded Table of Contents

Budget Summary

HB 1 - Public Debt

HB 5 - Fringe Benefits

HB 13 - Real Estate

HB 14 - Supplemental

Elected Officials

HB 12 - Chief Executive

HB 12 - Lt. Governor

HB 12 - Secretary of State

HB 12 - State Auditor

HB 12 - State Treasurer

HB 12 - Attorney General
HB 12 - Judiciary
HB 12 - Public Defender
HB 12 - General Assembly

Department Budgets

HB 6 - Agriculture
HB 6 - Conservation
HB 9 - Corrections
HB 7 - Economic Development
HB 2 - Elementary & Secondary Education
HB 10 - Health & Senior Services
HB 3 - Higher Education
HB 7 - Insurance, Financial Institutions & Professional Reg
HB 7 - Labor & Industrial Relations
HB 10 - Mental Health
HB 6 - Natural Resources
HB 5 - Office of Administration
HB 8 - Public Safety
HB 4 - Revenue
HB 11 - Social Services
HB 4 - Transportation

Budget & Planning

- **Budget Information**
 - **2014 Budget Information**
 - **2013 Budget Information**
 - **2012 Budget Information**
 - **2011 Budget Information**
 - **Budget Instructions**
 - **Department Budget Requests with Governor's Recommendations**
 - **Executive Budget**
 - **Governor's Enactment of Appropriation Bills**
- **Demographic Information**
- **Redistricting Office**
- **Contact Us**



JEREMIAH W. (JAY) NIXON
GOVERNOR

GOVERNOR OF MISSOURI
JEFFERSON CITY
65102

P.O. Box 720
(573) 751-3222

January 20, 2010

TO THE GENERAL ASSEMBLY AND THE PEOPLE OF MISSOURI:

The national and international economic crisis has led to very challenging times for Missourians. Although Missouri's unemployment rate has remained below the national average, it is still too high. Too many Missourians have lost jobs or are working fewer hours than before. These extraordinary economic challenges have led to declining revenues for state services. We have responded to this revenue shortfall by cutting costs, reducing the number of state employees, and making government leaner and more efficient.

I worked with the legislature last session to pass a budget that was balanced. Unfortunately, the national economic situation continued to deteriorate and revenue collections were below expectations, so I made additional spending cuts to ensure the budget stayed balanced. By carefully managing the budget situation, we have maintained Missouri's Triple-A credit rating from all three rating agencies; we are one of only seven states with that distinction. In fact, Moody's Investors Service named Missouri one of the top states positioned to lead the recovery.

Because it will take time for the state's revenue collections to rebound, the Fiscal Year 2011 budget will be austere. In order to balance the budget, my recommendations include the elimination of an additional 550 state positions, bringing the total reduction to nearly 1,800 since I took office. In addition, my budget will continue to reduce the administrative costs of state government – including leasing, utility, and contract costs. My budget proposals also include a thorough review of health care services to reduce taxpayer costs for both the Medicaid Program and state employees' health care coverage.

By balancing our budget without a tax increase, we are well positioned to move Missouri's economy forward. By focusing our limited resources on key areas – job creation, education, and health care – my Fiscal Year 2011 Budget will:

- Create an investment fund for one of the fastest growing sectors of the economy – science and technology to help attract and grow innovative, high-tech businesses;
- Increase funding for the Missouri Customized Training Program;
- Provide a record level of funding for K-12 classrooms through the Foundation Formula;
- Guarantee no tuition increases at Missouri's public colleges and universities; and
- Provide medically necessary, evidence-based therapies to children with autism who are served by the state Medicaid Program and state employee health care plan.

By continuing to work with the legislature in a bi-partisan fashion, we will enact a budget for Fiscal Year 2011 that builds upon our success of keeping the budget balanced, maintains our record of sound fiscal management, and invests in key areas to help move Missouri forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Nixon".

Jeremiah W. (Jay) Nixon
Governor

TABLE OF CONTENTS

GOVERNOR'S LETTER OF BUDGET TRANSMITTAL

PAGE

BUDGET SUMMARY

The Missouri Budget.....	1
Financial Summaries and Tables:	
Total State Budget Pie Charts	9
General Revenue Receipts and Estimates	10
General Revenue Summary	11
Budget Summary	12
FTE Summary	16
Supplemental Recommendations - Fiscal Year 2010	20

OPERATING BUDGETS

HOUSE BILL 1

PUBLIC DEBT

Administration of Public Debt.....	1-2
Fourth State Building Bonds Debt Service.....	1-2
Summary of Fourth State Building Bonds Issuances.....	1-3
Fourth State Building Bonds Composite Schedule	1-3
Water Pollution Control Bonds Debt Service	1-4
Summary of Water Pollution Control Bonds Issuances	1-4
Water Pollution Control Bonds Composite Schedule.....	1-5
Stormwater Control Bonds Debt Service	1-6
Summary of Stormwater Control Bonds Issuances	1-6
Stormwater Control Bonds Composite Schedule.....	1-7
Third State Building Bonds Debt Service.....	1-8
Summary of Third State Building Bonds Issuances.....	1-8
Third State Building Bonds Composite Schedule	1-9

HOUSE BILL 2

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

General Administration	2-3
Public School Aid.....	2-4
Divisions of School Improvement/Teacher Quality and Urban Education.....	2-6
Division of Vocational Rehabilitation.....	2-8
Division of Career Education	2-9
Division of Special Education	2-10
Board Operated Schools	2-11
Commission for the Deaf and Hard of Hearing	2-12
Missouri Assistive Technology Council.....	2-13
Missouri Children's Services Commission	2-14

HOUSE BILL 3

DEPARTMENT OF HIGHER EDUCATION

Higher Education Coordination.....	3-2
Proprietary School Regulation	3-3
Midwestern Higher Education Compact.....	3-4
Federal Education Programs	3-5

HOUSE BILL 3**DEPARTMENT OF HIGHER EDUCATION (Continued)**

Financial Aid	3-6
Administration of State Grant and Scholarship Programs.....	3-6
Academic Scholarship Program	3-6
Access Missouri Financial Assistance Program	3-7
Missouri Promise Program	3-7
Public Service Survivor Grant Program	3-7
Vietnam Veterans Survivors Scholarship Program.....	3-7
Marguerite Ross Barnett Scholarship Program	3-7
Veteran's Survivors Grant Program	3-8
Minority Teaching Scholarship Program	3-8
Minority and Underrepresented Environmental Literacy Program	3-8
GEAR UP Program.....	3-8
Missouri Student Loan Program and Administration.....	3-8
Public Community Colleges.....	3-9
Linn State Technical College	3-10
Public Four-Year Institutions of Higher Education	3-11
University of Missouri-Related Programs.....	3-12
Missouri Telehealth Network	3-12
Missouri Research and Education Network (MOREnet)	3-12
University Hospital and Clinics	3-13
Missouri Rehabilitation Center.....	3-13
Missouri Institute of Mental Health.....	3-13
Missouri Kidney Program.....	3-13
State Historical Society.....	3-13
Spinal Cord Injury Research.....	3-14
State Seminary Fund Investments and Interest on Investments.....	3-14

HOUSE BILL 4**DEPARTMENT OF REVENUE**

Administration Division	4-2
Taxation Division	4-3
Motor Vehicle and Driver Licensing Division.....	4-4
Legal Services Division.....	4-5
Highway Collections	4-6
State Tax Commission	4-7
Distributions.....	4-8
Prosecuting Attorneys and Collection Agencies Fees	4-8
County Filing Fees.....	4-8
State Share of Assessment Maintenance Costs.....	4-9
Motor Fuel Tax Distribution to Cities and Counties.....	4-9
Emblem Use Fee Distribution	4-9
County Stock Insurance Tax.....	4-9
Homestead Preservation Tax Credit.....	4-9
Debt Offset for Tax Credits Transfer.....	4-10
Debt Offset Transfer	4-10
Circuit Courts Escrow Transfer	4-10
Income Tax Check-Off Refund Designations.....	4-10
Downtown Revitalization Preservation Transfer	4-10
State Supplemental Downtown Development Transfer	4-10
Missouri Science Innovation Reinvestment Act	4-11
Federal Programs.....	4-11
State Lottery Commission.....	4-12
Lottery Enterprise Fund Transfer	4-12

HOUSE BILL 4
DEPARTMENT OF TRANSPORTATION

PAGE

Highway Administration	4-14
Fringe Benefits	4-15
Fleet, Facilities, and Information Systems	4-16
System Management.....	4-17
Highway Construction.....	4-18
Mississippi River Parkway Commission.....	4-19
Multimodal Operations and Programs	4-20
Multimodal Operations.....	4-21
Capital Assistance for Transportation of Elderly and Disabled Citizens.....	4-21
New Freedom Transit Program	4-21
State Aid for Transportation of Elderly, Disabled, and Low-Income Citizens	4-21
Small Urbanized Transit Assistance	4-22
Small Urban and Rural Transportation Program.....	4-22
Job Access and Reverse Commute Transit Grants.....	4-22
Public Transit Capital Grants.....	4-22
Transit Planning Grants.....	4-22
Local Rail Freight Assistance Program.....	4-22
State Passenger Rail Assistance and Station Improvements	4-23
Rail Equipment	4-23
Light Rail Safety	4-23
Railroad Grade Crossing Safety	4-23
State Aid to Airports/Federal Aviation Assistance.....	4-23
State Aid to Port Authorities	4-23

HOUSE BILL 5
OFFICE OF ADMINISTRATION

Commissioner's Office.....	5-2
Division of Accounting	5-3
Division of Budget and Planning.....	5-4
Information Technology Services Division	5-5
Division of Personnel.....	5-6
Division of Purchasing and Materials Management.....	5-7
Division of Facilities Management, Design and Construction	5-8
Division of General Services.....	5-9
Assigned Programs	5-10
Administrative Hearing Commission	5-10
Office of Child Advocate	5-10
Children's Trust Fund	5-11
Governor's Council on Disability.....	5-11
Missouri Public Entity Risk Management Program	5-11
Missouri Ethics Commission.....	5-11
Debt and Related Obligations.....	5-12
Board of Public Buildings Debt Service	5-12
Lease/Purchase Debt Service	5-12
Board of Unemployment Fund Financing	5-12
Missouri Health and Educational Facilities Authority Debt Service	5-13
Debt Management	5-13
New Jobs Training Certificates	5-13
Convention and Sports Complex Projects	5-13
Administrative Disbursements	5-14
Cash Management Improvement Act	5-14
Audit Recovery Distribution	5-14
Budget Reserve Interest.....	5-15
Budget Reserve Required Transfer	5-15
Other Fund Corrections	5-15
Flood Control Lands Grant	5-15
National Forest Reserve Grant	5-15
County Prosecution Reimbursements	5-16
Regional Planning Commissions	5-16
Elected Officials Transition	5-16

HOUSE BILL 5
FRINGE BENEFITS

PAGE

OASDHI Contributions.....	5-18
Missouri State Employees' Retirement System Contributions	5-19
Teacher Retirement Contributions.....	5-20
Deferred Compensation Program	5-21
Disbursement for Unemployment Benefits	5-22
Missouri Consolidated Health Care Plan	5-23
Other Post-Employment Benefits	5-24
Workers' Compensation	5-25
Other Employer Disbursements.....	5-26
Voluntary Life Insurance	5-26
Cafeteria Plan Transfer	5-26
Human Resources Contingency Fund Transfer.....	5-26

HOUSE BILL 6
DEPARTMENT OF AGRICULTURE

Office of the Director.....	6-2
Agriculture Business Development.....	6-3
Division of Animal Health.....	6-4
Division of Grain Inspection and Warehousing	6-5
Division of Plant Industries	6-6
Division of Weights and Measures	6-7
Missouri State Fair.....	6-8
State Milk Board	6-9

DEPARTMENT OF NATURAL RESOURCES

Department Operations	6-12
Division of Energy.....	6-13
Environmental Programs	6-14
Environmental Quality.....	6-14
Field Services	6-15
Inspection/Maintenance.....	6-16
Water Resources.....	6-16
Soil and Water Conservation.....	6-16
Environmental Financial Support.....	6-16
Division of Geology and Land Survey.....	6-17
Division of State Parks	6-18
Historic Preservation	6-19
Agency-Wide Implementation.....	6-20
Environmental Improvement and Energy Resources Authority.....	6-21

DEPARTMENT OF CONSERVATION..... 6-23

HOUSE BILL 7**PAGE****DEPARTMENT OF ECONOMIC DEVELOPMENT**

Business and Community Services	7-2
Missouri Economic Research and Information Center (MERIC)	7-2
Marketing	7-3
Sales	7-3
Finance	7-3
Compliance	7-3
Small Business and Technology Development Centers	7-3
Community Development Block Grant Program	7-4
Flood Recovery Assistance	7-4
Missouri Technology Investment	7-4
Community Redevelopment and Assistance	7-4
Arts and Cultural Development	7-5
Life Sciences Research	7-5
Workforce Development	7-6
Workforce Development Administration	7-6
Workforce Programs	7-7
Missouri Job Development Fund	7-7
Women's Council	7-7
Job Retention Training Program	7-7
Missouri Community College New Jobs Training	7-7
Division of Tourism	7-8
Film Commission	7-9
Affordable Housing	7-10
Missouri Housing Trust	7-10
Manufactured Housing Program	7-10
Utility Regulation	7-11
Office of Public Counsel	7-11
Public Service Commission	7-11
Administrative Services	7-12

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

Administration	7-14
Insurance Operations	7-14
Market Conduct and Financial Examinations	7-15
Health Insurance Counseling	7-16
Division of Credit Unions	7-17
Division of Finance	7-18
Professional Registration	7-19
Administration	7-19
State Board of Accountancy	7-19
State Board of Architects, Professional Engineers, Land Surveyors, and Landscape Architects	7-19
State Board of Chiropractic Examiners	7-19
Missouri Dental Board	7-20
State Board of Embalmers and Funeral Directors	7-20
State Board of Registration for the Healing Arts	7-20
State Board of Nursing	7-20
State Board of Optometry	7-20
State Board of Pharmacy	7-20
State Board of Podiatric Medicine	7-20
Missouri Real Estate Commission	7-20
Missouri Veterinary Medical Board	7-20
State Board of Cosmetology and Barber Examiners	7-20

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

Department Administration	7-22
Labor and Industrial Relations Commission	7-23
Division of Labor Standards	7-24
Division of Workers' Compensation	7-25
Administration	7-25
Second Injury Fund	7-25
Tort Victims Compensation Payments	7-25

HOUSE BILL 7**PAGE****DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS (Continued)**

Division of Employment Security	7-26
Administration	7-26
Special Employment Security Fund	7-26
War on Terror Unemployment Compensation Program	7-26
Employment and Training Payments	7-27
Board of Unemployment Fund Financing	7-27
State Board of Mediation	7-28
Missouri Commission on Human Rights	7-29

HOUSE BILL 8**DEPARTMENT OF PUBLIC SAFETY**

Office of the Director/Criminal Justice Programs Unit	8-2
Capitol Police	8-3
Highway Patrol	8-4
Administration	8-4
Fringe Benefits	8-5
Enforcement	8-5
Crime Laboratory	8-5
Law Enforcement Academy	8-6
Vehicle and Driver Safety	8-6
Technical Services	8-6
State Water Patrol	8-7
Division of Alcohol and Tobacco Control	8-8
Division of Fire Safety	8-9
Missouri Veterans' Commission	8-10
Missouri Gaming Commission	8-11
Adjutant General	8-12
Administration	8-12
Missouri National Guard Trust Fund Program	8-13
Veterans' Recognition Program	8-13
Field Support	8-13
Missouri Military Family Relief Program	8-13
Contract Services	8-13
Office of Air Search and Rescue	8-14
State Emergency Management Agency	8-14

HOUSE BILL 9**DEPARTMENT OF CORRECTIONS**

Office of the Director	9-2
Division of Human Services	9-3
Division of Adult Institutions	9-4
Division of Offender Rehabilitative Services	9-6
Board of Probation and Parole	9-7

HOUSE BILL 10**DEPARTMENT OF MENTAL HEALTH**

Office of the Director	10-2
Division of Alcohol and Drug Abuse	10-3
Division of Comprehensive Psychiatric Services	10-4
Division of Developmental Disabilities	10-6

DEPARTMENT OF HEALTH AND SENIOR SERVICES

Health Administration	10-9
Division of Community and Public Health	10-10
Center for Emergency Response and Terrorism	10-11
State Public Health Laboratory	10-12
Division of Senior and Disability Services	10-13
Division of Regulation and Licensure	10-14

<u>HOUSE BILL 11</u>	<u>PAGE</u>
<u>DEPARTMENT OF SOCIAL SERVICES</u>	
Office of the Director.....	11-4
Family Support Division.....	11-5
Children's Division.....	11-8
Division of Youth Services.....	11-10
MO HealthNet Division.....	11-11
Administrative Services.....	11-11
Medicaid Expenditures.....	11-12
State Medical.....	11-13

HOUSE BILL 12
OFFICE OF THE CHIEF EXECUTIVE

Governor's Office and Mansion	12-2
National Guard Emergency/Homeland Security	12-2
Special Audits.....	12-2
Governmental Emergency Fund Committee.....	12-2

OTHER ELECTED OFFICIALS

<u>Lieutenant Governor</u>	12-3
<u>Secretary of State</u>	12-4
Administration.....	12-5
Elections.....	12-6
Record Preservation Programs	12-6
Missouri Library Programs.....	12-6
<u>State Auditor</u>	12-7
<u>State Treasurer</u>	12-8
Administration.....	12-8
Issuing Duplicate and Outlawed Checks	12-9
Abandoned Fund Account	12-9
<u>Attorney General</u>	12-10

JUDICIARY

Supreme Court.....	12-14
Office of State Courts Administrator	12-15
Court of Appeals.....	12-16
Circuit Courts.....	12-17
Drug Courts	12-18
Commission on Retirement, Removal and Discipline of Judges.....	12-19
Appellate Judicial Commission	12-20

<u>OFFICE OF THE STATE PUBLIC DEFENDER</u>	12-21
---	-------

GENERAL ASSEMBLY

Senate.....	12-24
House of Representatives	12-25
Committee on Legislative Research	12-26
Joint Committees.....	12-27
Interstate Organizations	12-27

HOUSE BILL 13
STATEWIDE REAL ESTATE

PAGE

Department of Elementary and Secondary Education	13-1
Department of Higher Education	13-2
Department of Revenue	13-2
Office of Administration	13-2
Department of Agriculture.....	13-2
Department of Natural Resources	13-3
Department of Economic Development	13-3
Department of Insurance, Financial Institutions and Professional Registration	13-3
Department of Labor and Industrial Relations	13-3
Department of Public Safety	13-4
Department of Corrections.....	13-4
Department of Mental Health.....	13-4
Department of Health and Senior Services.....	13-4
Department of Social Services	13-5
Elected Officials.....	13-5
Judiciary	13-5

HOUSE BILL 14
SUPPLEMENTAL

Department of Elementary and Secondary Education	
Division of Administration and Financial Services/Special Education	
Equity Formula/Early Childhood Special Education	14-1
Division of School Improvement	
Race to the Top Competitive Grant	14-2
Division of Vocational Rehabilitation	
Disability Determination Program	14-2
Division of Career Education	
Afterschool Programming	14-2
Division of Special Education	
High Need Program	14-2
Division of Administration and Financial Services/Special Education	
Equity Formula Transfer	14-3
Department of Revenue	
Division of Motor Vehicle and Driver Licensing.....	14-3
Division of Administration	14-3
Division of Legal Services.....	14-3
Division of Administration	14-4
Office of Administration	
Division of Purchasing and Materials Management	14-4
Division of Insurance, Financial Institutions and Professional Registration	
State Board of Nursing	14-4
Department of Labor and Industrial Relations	
Division of Workers' Compensation	
Line of Duty Compensation Program.....	14-4
Line of Duty Compensation Program.....	14-5
Department of Public Safety	
Missouri State Highway Patrol	
Crime Lab – DNA Profiling System.....	14-5
Interoperable Communications System Project.....	14-5
Department of Corrections	
Office of the Director	
Population Growth Pool.....	14-6
Department of Mental Health	
Agency-Wide	14-6
Division of Comprehensive Psychiatric Services	
Youth Community Programs.....	14-6
Division of Developmental Disabilities	14-7
Department of Health and Senior Services	
Office of the Director.....	14-7
Division of Senior and Disability Services	
Home and Community Based Services	14-7
Home and Community Based Services	14-8

HOUSE BILL 14
SUPPLEMENTAL (Continued)

PAGE

Department of Social Services	
MO HealthNet Division	
Tier 1 Safety Net Hospitals	14-8
MO HealthNet Program	14-8
Judiciary	
Circuit Courts	
Clay County Judgeship	14-9

THE MISSOURI BUDGET

FISCAL YEAR 2011

SUMMARY

I. OVERVIEW

Even though Missouri is in better shape than most other states, tough budget challenges remain. The national and international economic crisis has caused revenue to continue its downward spiral, reaching historic rates of decline in the previous and current fiscal years. The decline in revenues has been so severe that collections will remain below Fiscal Year 2006 levels. Revenue forecasters predict a modest increase for Fiscal Year 2011 but not enough to prevent additional cuts and continue the fiscal restraint necessary to keep the Missouri Budget balanced.

Governor Nixon's Fiscal Year 2011 Budget continues his commitment to provide resources necessary to foster job creation for Missouri's economy; maintain funds for elementary and secondary education; make higher education more affordable; improve the delivery of health care to Missourians; and make state government more efficient.

Economy

Governor Nixon's top priority is to turn Missouri's economy around by creating jobs. Missouri must encourage entrepreneurship and small-business growth; enhance workforce training; and embrace emerging science and technology — critical industries of tomorrow. Last fall, the Governor led a listening tour around the state to hear directly from local Missouri businesses, both large and small, about their needs, their aspirations and their challenges. The feedback from that tour formed the framework of the Governor's 2010 Jobs Plan. The plan will:

- Put Missouri companies at the front of the line for financial incentives;
- Create a reinvestment fund to attract the best and brightest researchers, innovators and entrepreneurs in emerging technology fields with high-paying jobs; and

- Establish a pool of funds to train hundreds of mid-level workers in high-tech fields.

The Fiscal Year 2011 Budget provides:

- The resources necessary to implement and administer the Governor's 2010 Jobs Plan: the Missouri First Initiative and the Missouri Science and Innovation Reinvestment Act.
- \$16.4 million for the Missouri Customized Job Training Program, including an increase of \$2.4 million.
- \$16.3 million for the Community College New Jobs Training Program, which provides assistance to businesses expanding Missouri's workforce.
- \$10 million for the Job Retention Training Program, which provides general skill and industry-specific occupational training for Missouri businesses.
- \$34.2 million to fully fund biodiesel incentives to benefit the state's agricultural economy and Missouri farmers, including an increase of \$9 million.

Education

Governor Nixon knows the value of a quality public education and is committed to maintaining state support to Missouri's public schools. The Governor also recognizes that education beyond the senior year of high school is critical to prepare Missourians for 21st-Century jobs. The Governor's priorities in education include:

- Record funding for Missouri's elementary and secondary classrooms through the Foundation Formula;
- Freezing college tuition for the second year in a row so more families can afford a higher education; and

- Extending the A+ scholarship program to all qualifying students regardless of the public school they attend.

The Fiscal Year 2011 budget provides:

Elementary and Secondary Education

- \$3.02 billion to fund the Foundation Formula for elementary and secondary education classrooms, a record amount.
- \$37.5 million for the Career Ladder Program, which enhances career development and compensation for participating teachers.
- \$49.4 million to fund Missouri's School for the Blind in St. Louis and School for the Deaf in Fulton, and Missouri's schools for the severely disabled around the state, including an additional \$200,000 of federal grant funds.
- \$426.6 million for school transportation and food services.
- \$30.4 million for the First Steps Program.
- \$26.8 million for the Parents as Teachers Program.
- \$370.5 million for early childhood special education and special education grants, including \$11.6 million in new funding.
- \$29.3 million to help local school districts with the costs of educating children with special needs, including \$3.4 million in new funding.
- \$50.1 million for Career Education programs, including career-technical, adult, and community education opportunities.

Higher Education

- \$911 million for colleges and universities—for the second straight year, each public college and university has agreed not to raise tuition or education-related fees.
- \$96 million for the Access Missouri scholarship program to provide need-based scholarships to eligible Missouri residents.

- \$16 million for the Academic Scholarship program (Bright Flight) to provide scholarships for Missouri high school graduates scoring in the top three percent of all Missouri students taking the American College Test or Scholastic Aptitude Test.
- \$25 million for the Missouri Promise Program to provide qualified students, at all public high schools not just A+ designated high schools, with a scholarship for two years to any public community college.

Health care

Over the past year, Governor Nixon has worked to improve the delivery of health care to Missourians, including the creation of an advisory board to promote the use of secure electronic health information. In addition, the Governor proposes requiring health insurance carriers to provide coverage to children for the diagnosis and treatment of autism spectrum disorders.

Due to the recession unemployment has increased Medicaid caseloads, contributing to the increased cost of the Medicaid program, requiring an additional \$276 million to cover needy families at a time when state revenues are declining at a record pace. Governor Nixon's administration is working with program providers and national experts to lower costs and improve client outcomes.

Through these efforts, \$121 million general revenue will be saved without changing eligibility or eliminating services. The measures will provide even greater cost avoidance in future years. They will focus on several key initiatives, across all services and provider types, for example:

- Focusing on high-cost users – Better management of very high-cost clients across all service areas will reduce costs, and lead to better health outcomes for clients.
- Improving coordination of benefits with other insurers – Some Medicaid clients are eligible for other insurance coverage, including Medicare. Policies will be changed to make sure other insurers pay these costs where appropriate.

- Enhancing service review – Missouri will improve its review of services across multiple providers. Precertification of imaging services will be required; a third party contractor will perform the intake and assessment of clients for long-term care services; use of telephony will ensure home and community-based services are appropriately paid; and better management of psychotropic prescriptions will be achieved through clinical review.
- Ensuring provider rates are efficient – Some Medicaid rates in Missouri are higher than Medicare rates or higher than typical rates paid by private insurers. Provider rates in these very limited areas will be reduced. In addition, changes will be made to improve the efficiency of rates paid to managed care plans.

The Fiscal Year 2011 Budget provides:

- \$8.0 billion, including an increase of \$389.5 million, to maintain all services and eligibility levels in the Medicaid Program.
- \$44 million to continue funding to local Area Agencies on Aging.
- \$8.7 million for core public health functions provided through local health departments.
- \$84.9 million, including an increase of \$6.9 million, to serve children with autism spectrum disorders.
- \$4.3 million for state employee insurance coverage of applied behavior analysis for dependents with autism spectrum disorders.

Efficient Government

Governor Nixon manages his administration efficiently and responsibly. During his first year in office, he has faced historic economic challenges. State revenue collections in Fiscal Year 2009 were down more than \$550 million from the previous year -- the largest drop in revenue in at least 30 years. Recent estimates for Fiscal Year 2010 predict another dramatic decline of \$480 million. Decisive action by Governor Nixon and the legislature headed off the meltdowns other states have experienced. Missouri also avoided tax increases and cuts in critical services. Fiscally conservative management helped Missouri keep its

spotless, Triple-A credit rating. In October 2009, Moody's Investors Service identified Missouri as one of the top states positioned to lead the economic recovery.

Since taking office, Governor Nixon has kept the budget balanced without raising taxes while protecting vital services in education, health care, and public safety. This was accomplished by cutting \$600 million from the budget; eliminating 1,800 positions from the workforce; reducing costs by utilizing technology, renegotiating contracts and leases; and reducing energy consumption.

The Fiscal Year 2011 budget reflects general revenue core reductions of \$253 million. These actions are necessary to preserve scarce revenues for the most vital services. In addition, the administration has reviewed state agency staffing and expenses leading to significant savings, including:

- Permanently reducing the state workforce by an additional 550 positions in Fiscal Year 2011, bringing the total reduction to nearly 1,800 since the Governor took office.
- Reducing energy use in state buildings through operational improvements, equipment retrofits, and other measures.
- Combining state agency functions, reducing costs and increasing efficiency. The Department of Natural Resources merged the Field Services Division into the existing Division of Environmental Quality. The Division of Youth Services regionalized bill payment processes and maintenance functions. The Department of Social Services will transfer its mail services to the existing mail operations of the Office of Administration. The Department of Mental Health's Social Rehabilitation Unit will be transferred to the Department of Corrections to improve operations and services.
- Reducing facility costs through lease negotiation, reduced rates, downsized leased facilities, and consolidated staff in state-owned buildings.
- Improving administration of the state's health care plan that provides benefits to state employees and retirees. Coordination of benefits with other insurance providers will be improved and enrollee eligibility for benefits will be reviewed, saving \$6.5 million in general revenue. Future

initiatives will ensure that state employee health care remains affordable.

- Authorizing additional collection tools to assist the Department of Revenue (DOR) in maximizing efficiency in its collection of delinquent and existing taxes. General revenue is estimated to increase by \$26.3 million in Fiscal Year 2011. These tools include allowing DOR to:
 - ◆ Issue administrative garnishments directly to employers instead of through the courts.
 - ◆ Place liens against workers' compensation benefits.
 - ◆ File claims for delinquent taxes in a probate estate.
 - ◆ Extend the length of delinquent assessments from three years to four years.
- Governor Nixon changed the way Missouri manages local motor vehicle license offices by ending the system of political patronage and implementing a competitive bidding process. In 2009, the 183 motor vehicle license offices agreed to return over \$800,000 to the state. Governor Nixon proposes reinvesting these savings in the Veteran's Survivors Grant Program, Line of Duty Compensation Program, National Guard Tuition Assistance Program, and Military Family Relief Program.

II. REVIEW OF THE FISCAL YEAR 2010 BUDGET

Fiscal Year 2010 revenue growth was expected to be stronger than Fiscal Year 2009. Just twelve months ago, general revenue collections (net of refunds) for Fiscal Year 2010 were projected to grow by 1.0 percent over then-estimated Fiscal Year 2009 revenues. Even before Fiscal Year 2010 began in July of 2009, it was clear this would not be the case, and the damage to revenues would continue well into Fiscal Year 2010.

The adjusted Consensus Revenue Estimate for Fiscal Year 2010 shows a huge \$793 million downward adjustment from the original estimate. Rather than the 1.0 percent increase in revenues originally forecast, Fiscal Year 2010 revenues are now expected to fall 6.4 percent, rivaling the record decline of 6.9 percent in FY 2009.

Governor Nixon has implemented an aggressive plan to bring costs down to ensure that the state's expenses do not exceed its

available resources in Fiscal Year 2010. Through his constitutional veto and withholding powers, he has cut the current budget \$600 million and is poised to make additional reductions as necessary.

III. THE ECONOMIC OUTLOOK

U.S. Economic Position

The fallout from the economic storm of 2007 and 2008 has been so severe that many are referring to this downturn as the "Great Recession". The bursting of the housing bubble and the ensuing panic in global financial industries led businesses to halt investment in new facilities and inventory. Consumers reduced spending, raising their rate of saving to the highest level in twelve years. In the wake of the recession which began in December 2007, national unemployment has risen to over 10 percent for the first time in twenty-five years.

After the 2007 implosion of the subprime mortgage system and the resulting market turmoil in 2008, federal agencies took actions to stave off an economic depression. The U.S. Treasury was given broad powers to administer the \$700-billion Troubled Asset Relief Program (TARP). The Federal Reserve took unprecedented action and set its target interest rate at essentially zero and took other efforts to ease the market, such as the acquisition of Fannie Mae and Freddie Mac assets.

In February of 2009, the President and Congress enacted the American Recovery and Reinvestment Act (ARRA). This legislation provided numerous forms of fiscal assistance to create jobs, encourage investment, and assist those impacted by the recession. Major provisions of the bill included: the "Making Work Pay" tax credit for individuals; extended unemployment insurance compensation; homebuyer tax credits; business incentives for infrastructure investment; and assistance for state governments to stabilize their budgets.

Consumers, despite the ARRA-induced paycheck boost, continued to pull back spending as incomes shrank and property wealth declined. With financial markets still dysfunctional, and capital difficult to access, both residential and business investment declined, fueling the acceleration of closures and layoffs that began in 2008. The woes of the housing market continued in 2009, as well.

Economic Projections			
	Increase by Calendar Year		
<u>U.S.</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Real GDP	(2.5) %	3.3 %	4.4 %
Employment	(3.7) %	(0.1)%	2.9 %
Unemployment Rate	10.2 %	9.6 %	8.0 %
Personal Income	(1.8) %	2.8 %	5.3 %
Consumer Expenditures	(0.3) %	4.4 %	4.3 %
Consumer Prices	(0.3) %	2.0 %	1.1 %
 <u>MISSOURI</u>			
Employment	(2.6) %	(1.0) %	1.7 %
Personal Income	1.0 %	1.9 %	3.7 %

Home prices fell about 4 percent during the year, and have fallen nearly 10 percent since peaking in mid-2007. The issuance of new building permits fell dramatically, down over 40 percent for the year.

The domestic auto industry has been injured by the recession. The reduction in consumer spending, difficulties acquiring financing, and record-high energy prices in 2008 hastened their decline. Chrysler entered bankruptcy in April 2009, emerging a few months later as a “new” Chrysler partially owned by the Italian automaker Fiat, and financed with a U.S. government loan. General Motors entered bankruptcy in June 2009 and emerged a month later owned by the U.S. and Canadian governments. Both firms sharply reduced their number of franchise dealers across the country, as well as their production levels. To date, only Ford Motor Company has had sufficient liquidity to avoid the fate of its competitors.

Because of the lack of economic activity, the job market has been hit hard. Over the last twelve months, employment has declined by nearly 4.8 million and nearly 7.2 million since the onset of the recession. The unemployment rate peaked at 10.2 percent in October, the highest rate since April 1983. By the fall of 2009, wage income had fallen by nearly four percent.

Most economic data suggest the Great Recession ended in summer of 2009. Equity markets began anticipating this recovery in March: the S&P 500 closed 2009 with its index 63 percent higher than its lowest point on March 5th. The budding recovery has been sparked by wholesalers and retailers wishing to partially restock their depleted inventories. Unemployment insurance claims have fallen from summer peaks. The pace of layoffs and employment declines has abated. Consumer confidence indices are showing improvement. Energy prices have remained relatively low after peaking in summer 2008. For 2009, gasoline averaged roughly two-thirds of its 2008 average, hovering around \$2.40 per gallon.

Adding support to the recovery is the expected stimulus from the ARRA, since many of the programs were designed to provide assistance at the end of 2009 and into 2010, at just the time the recession was projected to be the deepest. Many of the infrastructure projects expected to create jobs are just beginning.

Credit conditions appear to be markedly improving. Credit spreads have sharply declined from their peaks in 2008. While banks are still tightening lending conditions, they are doing so much less sharply. These facts, together with recovering equity and housing wealth, may persuade consumers to be less

cautious in spending, especially for durable goods such as autos and appliances.

As a result, housing markets might begin to recover soon as well. The steady decline in the issuance of building permits has flattened, and in some states it has turned upward. Much of this is likely due to the ARRA homebuyer credits, which were recently extended to include some purchases in 2010. Mortgage rates remain at historical lows and the oversupply of houses has decreased.

Even with the economic turn-around, it will be several months before the job market fully reverses and begins to grow again. Typically, unemployment rises for several months after a recession ends. This will be true in this recession as well, as many firms are presently operating at levels substantially less than full capacity. Firms will seek to increase the productivity of their current workforce before investing further in human capital.

Despite the outlook for growth, the Federal Reserve appears to be in no hurry to raise target interest rates. The substantial slack in the economy leaves producers with little pricing power. Thus, the risk of unreasonable inflation is slim and interest rate increases will not occur until at least late 2010.

Thus, the outlook for 2010 and 2011 is generally positive, as the economy appears ready to grow again. However, the recovery will be tentative and fragile for the next several months, and is predicated on the slow-down of job losses, and eventual resumption of hiring. Current declines in initial unemployment insurance claims are encouraging, but continuing, extended, and emergency claims remain persistently high. Recent growth in consumer spending and investment must be sustained, and business investment must awaken to ensure a reversal in the job market.

There are risks to this outlook. Current growth is supported by both fiscal and monetary policy. Questions remain as to the sustainability of the recovery when this support ends, especially if it is withdrawn too quickly.

While the financial system has improved, it is still impaired by issues facing smaller banks. It remains difficult for smaller banks to get the capitalization needed to support loan and credit activity at the local level. It will be difficult for the recovery to gain footing without the free flow of credit.

Foreclosures remain at record highs, although the number was declining in late 2009. Should foreclosures not decrease home prices will slide anew.

Missouri Economic Position

The Missouri economy peaked in Calendar Year 2007, but has been mired in the national recession since. According to U.S. Bureau of Labor Statistics' data through the twelve months ending November 2009, the state lost 70,100 jobs, a decline of 2.5 percent. Similarly, the state has lost over 89,000 jobs since peaking in January 2008, a loss of 3.2 percent. Missouri's unemployment rate reached 9.5 percent in November, the highest level in over twenty-six years. Claims for unemployment insurance peaked in the spring at levels, when comparing thirteen week averages to the previous year, roughly 75 percent higher than during the 2001 downturn. Personal income during Calendar Year 2009 declined by 1.0 percent. Further, when transfer payments, inflationary effects, and one-time adjustments are excluded, personal income has contracted for seven of the last eight quarters. This fact is perhaps the most indicative of the depth of this recession.

Missouri's economic outlook over the next two years is similar to that of the nation. Employment is expected to decline by 1.0 percent in 2010, while personal income growth will rebound to only 1.9 percent. Housing construction continues to decline, although permit issuances have bounced from recent lows. Growth is expected to rebound in 2011; however, to rates closer to historical averages. Downside risks include the continued struggles of domestic automobile manufacturers. Conversely, other durable goods and agricultural exports may be boosted, as the value of the dollar has declined relative to broad indices of international currencies.

IV. REVENUE PROJECTIONS FOR FISCAL YEARS 2010 AND 2011

Revenue forecasting is challenging under the best of circumstances and is even more difficult when the questions become – as they are for Fiscal Year 2011 – whether a stumbling national economy will recover and when. Because of the economic factors the level of certainty about the new estimate is low. Nonetheless, the Governor and legislative leaders once again reached a consensus revenue estimate for the next eighteen months.

Following the unprecedented decline of 6.9 percent in Fiscal Year 2009, a second straight historic drop in net general revenue collections is now expected for Fiscal Year 2010. The revised revenue estimate calls for a decline of 6.4 percent, the largest forecasted decline since the consensus process started in 1992. No major source of revenue is showing growth in the current fiscal year. Indeed the largest source of revenue, individual withholding, declined eleven of twelve months in Calendar Year 2009. Spring individual income taxes will be adversely impacted by meager dividend and interest income, and may continue to show evidence of the major capital losses incurred in equity markets in 2008, despite the gains in 2009. Sales tax, while showing monthly volatility, has declined nine straight quarters. State tax changes in the form of income tax relief for seniors and veterans will continue to curtail revenue growth. Tax credit redemptions are expected to remain strong, although growth may not be as strong as previous years.

General revenue growth in Fiscal Year 2011 will depend on the specifics of the emerging economic turnaround, particularly the timing of job market improvements. Because growth is not expected to fully rebound until next winter, it may be difficult for Fiscal Year 2011 collections to gain much upward momentum. Below-average growth of only 3.6 percent is anticipated.

V. AMERICAN RECOVERY AND REINVESTMENT ACT

Last February, in response to the national economic crisis, the federal government passed the American Recovery and Reinvestment Act of 2009 (ARRA). It provided states Budget Stabilization Funds to prevent cuts in essential government services that would deepen the recession. The Budget Stabilization Funds were disbursed to states through two mechanisms—1) education and government services funds, and 2) Medicaid reimbursements.

Education and Government Services Funds

Missouri's allocation of these funds is \$921 million and is available for state Fiscal Years 2009, 2010 and 2011. The bulk of the funds (81.8%) must be used exclusively for education. The remaining 18.2% may be used to prevent cuts in education but may also be used to prevent cuts in other essential government services.

To qualify, Missouri provided assurances in its application that it will:

1. Commit to advancing education reform in four specific areas:
 - a. Achieving equity in teacher distribution;
 - b. Improving collection and use of data;
 - c. Enhancing the quality of standards and assessments; and
 - d. Supporting struggling schools.
2. Commit to maintenance of effort (MOE) levels by spending in Fiscal Years 2009, 2010, and 2011 at least as much as was spent in Fiscal Year 2006.

Medicaid Reimbursements

The ARRA includes Budget Stabilization Funds delivered to the states through temporary increases in the Federal Medicaid Assistance Percentage (FMAP). States spend their own money on Medicaid services and are reimbursed by the federal government based on percentages that change each year to reflect the relative costs of each state's low-income health care needs. Missouri's Medicaid reimbursement percentage is approximately 64%, *i.e.*, for every \$100 Missouri spends on Medicaid services, the federal government reimburses the state \$64.

States receive an enhanced increase to their reimbursement rate of 6.2 percentage points, plus an additional increase based on each state's unemployment rate. Based on recent, actual expenditures, these increased rates will yield an additional \$1.4 billion in federal reimbursements over 27 months.

There are no restrictions on how these additional reimbursements may be spent. However, states are not entitled to any of these funds if their Medicaid eligibility rules are more restrictive than those in effect on July 1, 2008, and no funds attributable to the increased FMAP may be deposited or credited into any state reserve or rainy day fund. States must spend the funds prior to September 2011.

It is likely the federal healthcare reform bill currently being deliberated by Congress will contain a provision to extend the enhanced FMAP adjustment another six to nine months, thereby increasing the estimate of additional reimbursements to the state by \$300-\$450 million.

VI. REVENUE LIMITATION AMENDMENT

Article X of the Missouri Constitution establishes a revenue and spending limit on state government. The limit is about 5.6 percent of Missouri personal income, based on the relationship between personal income and total state revenues when the limit was established and approved by voters in November 1980. Calculations made pursuant to Article X of the Missouri Constitution show that total state revenues for Fiscal Year 2009 were below the total state revenue limit by nearly \$2.6 billion.

The Office of Administration projects that total state revenues will not exceed the total state revenue limit in Fiscal Years 2010 or 2011. These preliminary calculations are subject to change as actual state revenue collections become known and as the federal government revises its estimates of Missouri personal income. These projections could change if the General Assembly were to pass legislation to increase taxes without a vote of the people. Pursuant to Article X of the Missouri Constitution, revenue approved by the voters is not subject to the revenue and spending limit.

In addition, Article X, Section 18(e) of the Missouri Constitution states the General

Assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce net new annual revenues greater than \$50 million, adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or one percent of total state revenues for the second fiscal year prior to the General Assembly's action, whichever is less.

"Net new annual revenues" is defined as the net increase in annual revenues produced by the total of all tax or fee increases by the General Assembly in a fiscal year, less refunds and less all contemporaneously occurring tax or fee reductions in that same fiscal year.

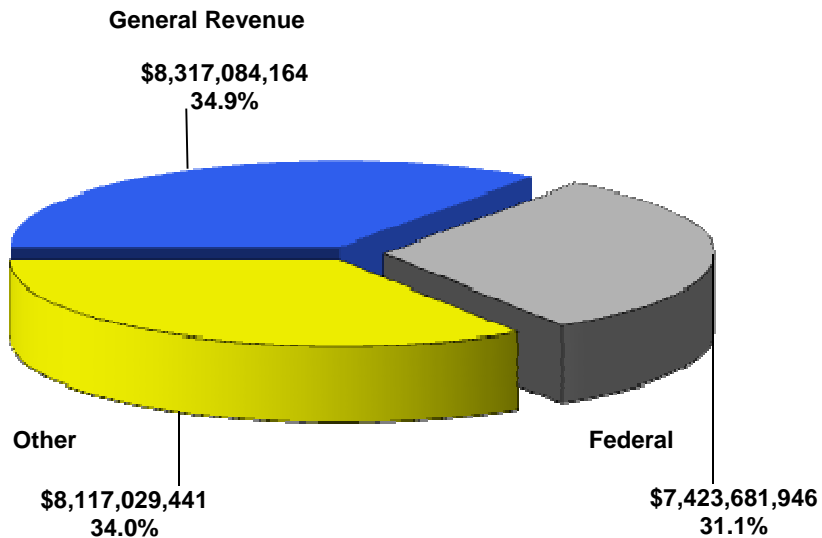
For Fiscal Year 2009, these limits were \$92.2 million for the personal income amount and \$89.9 million for the one percent of total state revenues amount. Legislative actions in the 2009 session resulted in a reduction of \$92.4 million in state revenues, which is clearly below the constitutional limit.

For Fiscal Year 2010, the limits are calculated at \$97.3 million for the personal income amount and \$96.0 million for the one percent of total state revenues amount.

FY 2011 TOTAL OPERATING BUDGET

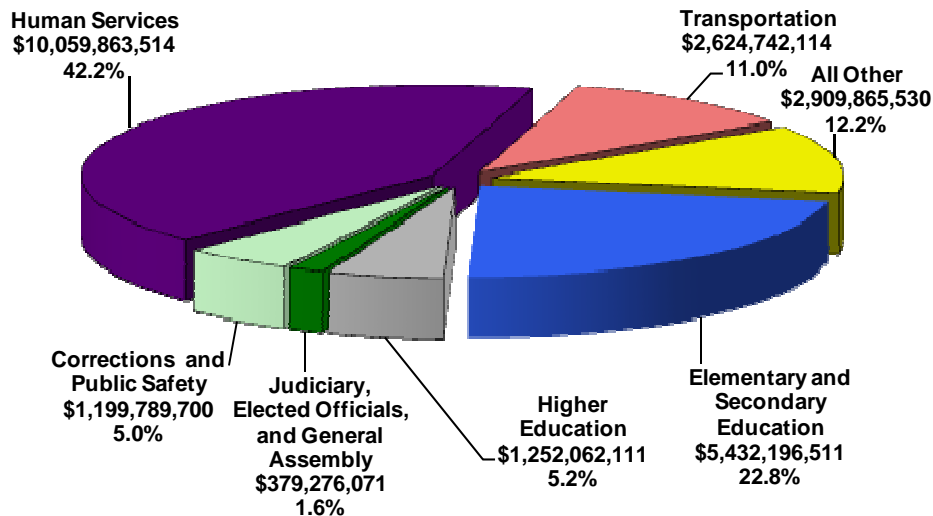
SOURCES OF FUNDS

Total Funds* \$23,857,795,551



GOVERNOR'S RECOMMENDED OPERATING BUDGET—ALL FUNDS

Total Appropriations* \$23,857,795,551



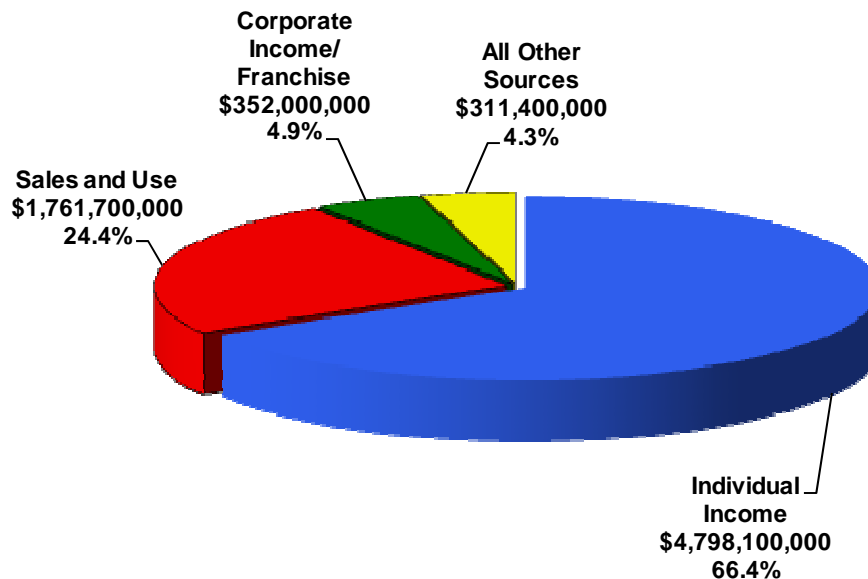
*Excludes refunds

GENERAL REVENUE RECEIPTS AND ESTIMATES

	Actual Receipts FY 2009	Consensus Estimate FY 2010	Consensus Estimate FY 2011
<u>Collections</u>			
Individual Income Tax	\$ 5,935,194,860	\$ 5,638,600,000	\$ 5,840,500,000
Sales and Use Tax	1,883,719,016	1,784,300,000	1,830,700,000
Corporate Income/Franchise Tax	528,279,599	480,400,000	524,000,000
County Foreign Insurance Tax	203,801,149	208,000,000	215,000,000
Liquor Tax	26,892,668	27,900,000	29,000,000
Beer Tax	8,849,672	8,600,000	9,000,000
Interest on Deposits and Investments	32,685,825	12,000,000	14,000,000
Federal Reimbursements	114,007,409	72,000,000	55,000,000
All Other Sources	<u>158,243,383</u>	<u>150,100,000</u>	<u>140,000,000</u>
Total General Revenue Collections	8,891,673,581	8,381,900,000	8,657,200,000
Refunds	<u>(1,440,854,291)</u>	<u>(1,411,000,000)</u>	<u>(1,434,000,000)</u>
Net General Revenue Collections	\$ 7,450,819,290	\$ 6,970,900,000	\$ 7,223,200,000
Net Growth Rate		-6.4%	3.6%

FY 2011 CONSENSUS REVENUE ESTIMATE

Net General Revenue \$7,223,200,000



GENERAL REVENUE SUMMARY

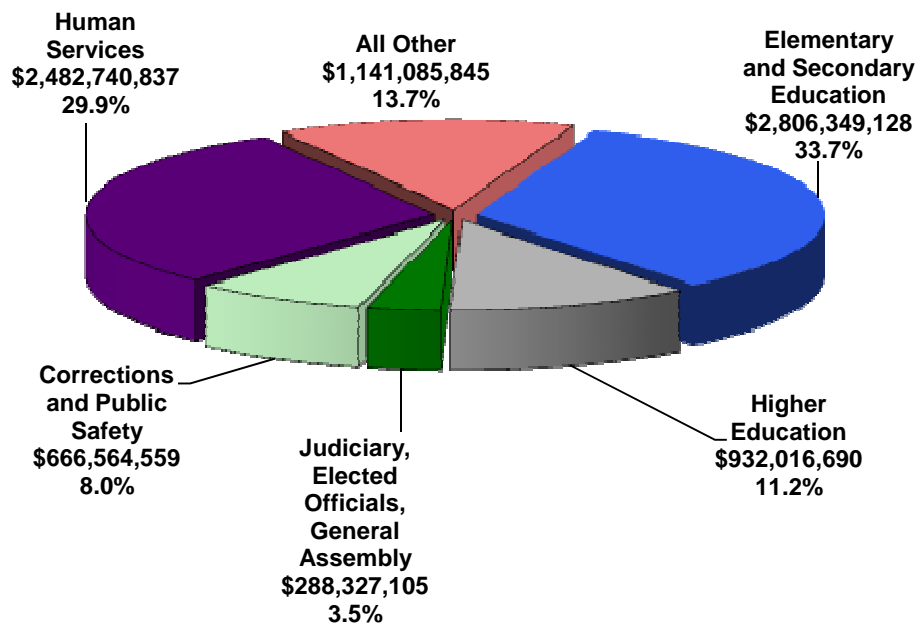
RESOURCES	FY 2009	FY 2010	FY 2011
Beginning Balance	\$ 545,131,560	\$ 8,787,067	\$ 16,286
Previous Year's Lapse ¹	290,692,220	254,411,536	99,809,434
Revenue Collections	8,891,673,581	8,381,900,000	8,657,200,000
Refunds	(1,440,889,670)	(1,411,000,000)	(1,434,000,000)
Revenue Collection Compliance			26,271,000
Federal Budget Stabilization Receipts	250,000,000	250,000,000	900,600,000
Transfers to Fund	175,103,408	243,700,000	182,500,000
Total Resources Available	\$ 8,711,711,099	\$ 7,727,798,603	\$ 8,432,396,720
OBLIGATIONS			
Operating Appropriations	\$ 8,639,388,717	\$ 7,802,206,989	\$ 8,317,084,164
Supplemental/Estimated Appropriations	101,131,499	93,168,682	95,000,000
Capital Appropriations	149,132,086	36,712,614	72,000,000
Expenditure Restrictions	(186,728,270)	(204,305,968)	(52,000,000)
Total Obligations	\$ 8,702,924,032	\$ 7,727,782,317	\$ 8,432,084,164
Ending Balance	\$ 8,787,067	\$ 16,286	\$ 312,556

NOTES TO GENERAL REVENUE SUMMARY

(1) Unexpended appropriations are counted as a resource in the next fiscal year to avoid premature commitment of uncertain resources until actual lapses are known. This includes reserves authorized by Section 33.290, RSMo.

GOVERNOR'S RECOMMENDED OPERATING BUDGET—GENERAL REVENUE

Total Appropriations* \$8,317,084,164



*Excludes refunds

FY 2011 BUDGET SUMMARY

House Bill	FY 2009 Expenditures	FY 2010 Appropriations	Governor's Recommendation FY 2011
1 Public Debt			
General Revenue	\$ 86,364,184	\$ 83,604,814	\$ 74,891,457
Federal Funds	0	0	0
Federal Stabilization	0	0	0
Other Funds	7,905,575	8,447,482	3,463,215
Total	\$ 94,269,759	\$ 92,052,296	\$ 78,354,672
2 Elementary and Secondary Education			
General Revenue	\$ 3,017,346,002	\$ 2,469,116,803	\$ 2,806,349,128
Federal Funds	888,305,923	970,980,627	1,017,828,377
Federal Stabilization	0	524,041,206	218,345,962
Other Funds	1,321,018,688	1,458,793,085	1,389,673,044
Total	\$ 5,226,670,613	\$ 5,422,931,721	\$ 5,432,196,511
3 Higher Education			
General Revenue	\$ 995,568,860	\$ 921,114,922	\$ 932,016,690
Federal Funds	3,221,433	6,168,003	6,168,003
Federal Stabilization	0	146,334,912	39,952,504
Other Funds	222,285,476	232,096,466	273,924,914
Total	\$ 1,221,075,769	\$ 1,305,714,303	\$ 1,252,062,111
4 Revenue			
General Revenue	\$ 84,233,523	\$ 81,169,861	\$ 74,437,839
Federal Funds	3,674,829	6,669,721	6,865,546
Federal Stabilization	0	2,571,865	0
Other Funds	349,947,127	345,649,948	350,363,570
Total	\$ 437,855,479	\$ 436,061,395	\$ 431,666,955
4 Transportation			
General Revenue	\$ 12,511,456	\$ 8,292,923	\$ 13,394,880
Federal Funds	75,460,687	75,123,802	75,181,950
Federal Stabilization	0	5,500,000	0
Other Funds	2,342,079,428	2,177,296,168	2,536,165,284
Total	\$ 2,430,051,571	\$ 2,266,212,893	\$ 2,624,742,114
5 Office of Administration			
General Revenue	\$ 187,345,669	\$ 163,643,426	\$ 157,213,787
Federal Funds	65,776,479	72,282,150	72,282,150
Federal Stabilization	0	7,455,942	528,000
Other Funds	59,360,275	62,231,217	63,880,818
Total	\$ 312,482,423	\$ 305,612,735	\$ 293,904,755
5 Employee Benefits			
General Revenue	\$ 531,421,848	\$ 579,070,313	\$ 584,842,514
Federal Funds	142,995,920	193,301,281	212,894,534
Federal Stabilization	0	12,422,975	0
Other Funds	144,848,848	170,394,165	182,204,180
Total	\$ 819,266,616	\$ 955,188,734	\$ 979,941,228

FY 2011 BUDGET SUMMARY

House Bill		FY 2009 <u>Expenditures</u>	FY 2010 <u>Appropriations</u>	Governor's Recommendation <u>FY 2011</u>
6	<u>Agriculture</u>			
	General Revenue	\$ 44,132,894	\$ 9,907,564	\$ 44,340,263
	Federal Funds	1,866,279	3,598,225	4,145,134
	Federal Stabilization	0	37,515,000	0
	Other Funds	10,489,092	14,121,325	14,528,318
	Total	\$ 56,488,265	\$ 65,142,114	\$ 63,013,715
6	<u>Natural Resources</u>			
	General Revenue	\$ 13,012,877	\$ 12,053,568	\$ 9,772,970
	Federal Funds	34,242,849	42,629,014	44,426,749
	Federal Stabilization	0	730,364	0
	Other Funds	310,453,378	262,445,420	256,815,232
	Total	\$ 357,709,104	\$ 317,858,366	\$ 311,014,951
6	<u>Conservation</u>			
	General Revenue	\$ 0	\$ 0	\$ 0
	Federal Funds	0	0	0
	Federal Stabilization	0	0	0
	Other Funds	132,541,287	145,534,841	145,534,841
	Total	\$ 132,541,287	\$ 145,534,841	\$ 145,534,841
7	<u>Economic Development</u>			
	General Revenue	\$ 57,094,015	\$ 55,133,360	\$ 61,403,533
	Federal Funds	140,241,150	198,991,112	164,191,113
	Federal Stabilization	0	18,565,679	0
	Other Funds	57,250,209	65,357,654	57,142,339
	Total	\$ 254,585,374	\$ 338,047,805	\$ 282,736,985
7	<u>Insurance, Financial Institutions and Professional Registration</u>			
	General Revenue	\$ 0	\$ 0	\$ 0
	Federal Funds	1,090,562	700,000	700,001
	Federal Stabilization	0	0	0
	Other Funds	29,365,262	35,958,839	36,439,040
	Total	\$ 30,455,824	\$ 36,658,839	\$ 37,139,041
7	<u>Labor and Industrial Relations</u>			
	General Revenue	\$ 2,371,808	\$ 2,254,942	\$ 2,215,539
	Federal Funds	32,356,369	47,167,731	47,967,730
	Federal Stabilization	0	0	0
	Other Funds	82,217,019	81,555,533	81,674,604
	Total	\$ 116,945,196	\$ 130,978,206	\$ 131,857,873
8	<u>Public Safety</u>			
	General Revenue	\$ 83,739,018	\$ 66,264,818	\$ 57,575,975
	Federal Funds	196,295,070	130,479,901	113,063,687
	Federal Stabilization	0	1,074,325	0
	Other Funds	273,654,503	313,895,137	356,563,182
	Total	\$ 553,688,591	\$ 511,714,181	\$ 527,202,844

FY 2011 BUDGET SUMMARY

House Bill	FY 2009 Expenditures	FY 2010 Appropriations	Governor's Recommendation FY 2011
9 <u>Corrections</u>			
General Revenue	\$ 586,923,288	\$ 604,146,521	\$ 608,988,584
Federal Funds	4,763,648	6,841,995	10,434,834
Federal Stabilization	0	750,000	0
Other Funds	42,426,136	52,824,936	53,163,438
Total	\$ 634,113,072	\$ 664,563,452	\$ 672,586,856
10 <u>Mental Health</u>			
General Revenue	\$ 605,649,896	\$ 594,823,914	\$ 594,741,954
Federal Funds	493,242,634	568,563,321	585,980,668
Federal Stabilization	0	5,891,995	0
Other Funds	40,408,421	42,271,054	44,577,524
Total	\$ 1,139,300,951	\$ 1,211,550,284	\$ 1,225,300,146
10 <u>Health and Senior Services</u>			
General Revenue	\$ 248,628,623	\$ 247,247,017	\$ 260,274,465
Federal Funds	612,679,775	619,002,497	650,455,128
Federal Stabilization	0	2,027,500	0
Other Funds	23,801,178	24,275,597	25,644,597
Total	\$ 885,109,576	\$ 892,552,611	\$ 936,374,190
11 <u>Social Services</u>			
General Revenue	\$ 1,433,790,546	\$ 1,516,013,903	\$ 1,627,724,418
Federal Funds	3,530,536,160	3,998,634,263	4,096,056,544
Federal Stabilization	0	2,587,500	0
Other Funds	1,945,510,674	1,945,406,004	2,174,408,216
Total	\$ 6,909,837,380	\$ 7,462,641,670	\$ 7,898,189,178
12 <u>Elected Officials</u>			
General Revenue	\$ 54,299,806	\$ 48,189,352	\$ 48,611,852
Federal Funds	10,737,073	23,621,404	22,484,598
Federal Stabilization	0	1,100,000	0
Other Funds	43,052,392	45,512,192	44,365,721
Total	\$ 108,089,271	\$ 118,422,948	\$ 115,462,171
12 <u>Judiciary</u>			
General Revenue	\$ 166,217,860	\$ 162,749,121	\$ 169,227,216
Federal Funds	5,672,637	10,408,187	10,408,187
Federal Stabilization	0	6,647,949	0
Other Funds	12,505,336	10,292,941	10,292,942
Total	\$ 184,395,833	\$ 190,098,198	\$ 189,928,345
12 <u>Public Defender</u>			
General Revenue	\$ 33,998,192	\$ 34,207,100	\$ 36,207,100
Federal Funds	30,906	125,000	125,000
Federal Stabilization	0	0	0
Other Funds	1,686,240	2,980,263	2,980,263
Total	\$ 35,715,338	\$ 37,312,363	\$ 39,312,363

FY 2011 BUDGET SUMMARY

House Bill	FY 2009 Expenditures	FY 2010 Appropriations	Governor's Recommendation FY 2011
12 General Assembly			
General Revenue	\$ 32,533,823	\$ 34,373,472	\$ 34,280,937
Federal Funds	0	0	0
Federal Stabilization	0	344,597	0
Other Funds	194,274	292,255	292,255
Total	\$ 32,728,097	\$ 35,010,324	\$ 34,573,192
13 Real Estate			
General Revenue	\$ 102,891,031	\$ 108,829,275	\$ 118,573,063
Federal Funds	21,680,977	23,507,968	23,195,547
Federal Stabilization	0	0	0
Other Funds	12,194,567	13,099,626	12,931,904
Total	\$ 136,766,575	\$ 145,436,869	\$ 154,700,514
14 Operating Supplemental			
General Revenue		\$ 86,168,682	
Federal Funds		186,620,232	
Federal Stabilization		112,994,110	
Other Funds		44,138,436	
Total		\$ 429,921,460	
Total Operating Budget			
General Revenue	\$ 8,380,075,219	\$ 7,888,375,671	\$ 8,317,084,164
Federal Funds	6,264,871,360	7,185,416,434	7,164,855,480
Federal Stabilization	0	888,555,919	258,826,466
Other Funds	7,465,195,385	7,554,870,584	8,117,029,441
Total	\$ 22,110,141,964	\$ 23,517,218,608	\$ 23,857,795,551
21 Federal Budget Stimulus			
General Revenue	\$ 0	\$ 0	
Federal Funds	12,105,781	2,410,638,276	
Federal Stabilization	5,817,550	84,720,999	
Other Funds	0	160,201,228	
Total	\$ 17,923,331	\$ 2,655,560,503	
22 Capital Improvements- One Time Projects			
General Revenue	\$ 22,836,518	\$ 36,712,614	\$ 72,000,000
Federal Funds	9,251,227	16,703,326	163,243
Federal Stabilization	0	284,900,842	20,344,716
Other Funds	36,582,424	51,633,240	35,953,056
Total	\$ 68,670,169	\$ 389,950,022	\$ 128,461,015
GRAND TOTAL			
General Revenue	\$ 8,402,911,737	\$ 7,925,088,285	\$ 8,389,084,164
Federal Funds	6,286,228,368	9,612,758,036	7,165,018,723
Federal Stabilization	5,817,550	1,258,177,760	279,171,182
Other Funds	7,501,777,809	7,766,705,052	8,152,982,497
Total	\$ 22,196,735,464	\$ 26,562,729,133	\$ 23,986,256,566

THE MISSOURI BUDGET

FY 2011 FTE SUMMARY

House <u>Bill</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>	Governor's Recommendation <u>FY 2011</u>
1 <u>Public Debt</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Federal Stabilization	0.00	0.00	0.00
Other Funds	0.00	0.00	0.00
Total	0.00	0.00	0.00
2 <u>Elementary and Secondary Education</u>			
General Revenue	964.45	880.45	849.95
Federal Funds	853.76	853.76	876.76
Federal Stabilization	0.00	0.00	0.00
Other Funds	12.00	12.00	12.00
Total	1,830.21	1,746.21	1,738.71
3 <u>Higher Education</u>			
General Revenue	16.50	16.50	17.00
Federal Funds	7.08	7.08	6.58
Federal Stabilization	0.00	0.00	0.00
Other Funds	52.09	52.09	52.09
Total	75.67	75.67	75.67
4 <u>Revenue</u>			
General Revenue	1,122.67	1,011.20	1,015.20
Federal Funds	6.74	6.74	11.74
Federal Stabilization	0.00	0.00	0.00
Other Funds	453.55	443.55	438.55
Total	1,582.96	1,461.49	1,465.49
4 <u>Transportation</u>			
General Revenue	2.00	0.00	0.00
Federal Funds	17.98	17.98	17.98
Federal Stabilization	0.00	0.00	0.00
Other Funds	6,927.02	6,598.70	6,598.70
Total	6,947.00	6,616.68	6,616.68
5 <u>Office of Administration</u>			
General Revenue	816.93	771.79	766.29
Federal Funds	342.22	342.22	342.22
Federal Stabilization	0.00	1.50	0.00
Other Funds	926.81	917.81	1,125.81
Total	2,085.96	2,033.32	2,234.32
6 <u>Agriculture</u>			
General Revenue	195.56	189.94	187.71
Federal Funds	32.86	31.36	35.36
Federal Stabilization	0.00	0.00	0.00
Other Funds	172.13	169.76	174.27
Total	400.55	391.06	397.34

THE MISSOURI BUDGET

FY 2011 FTE SUMMARY

House <u>Bill</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>	Governor's Recommendation <u>FY 2011</u>
6 <u>Natural Resources</u>			
General Revenue	164.92	146.54	133.04
Federal Funds	362.89	377.38	414.80
Federal Stabilization	0.00	0.00	0.00
Other Funds	1,286.13	1,271.64	1,234.22
Total	1,813.94	1,795.56	1,782.06
6 <u>Conservation</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Federal Stabilization	0.00	0.00	0.00
Other Funds	1,871.61	1,843.81	1,843.81
Total	1,871.61	1,843.81	1,843.81
7 <u>Economic Development</u>			
General Revenue	81.60	71.32	71.32
Federal Funds	619.49	618.91	618.91
Federal Stabilization	0.00	0.00	0.00
Other Funds	276.78	286.14	286.14
Total	977.87	976.37	976.37
7 <u>Insurance, Financial Institutions and Professional Registration</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Federal Stabilization	0.00	0.00	0.00
Other Funds	534.15	545.15	550.15
Total	534.15	545.15	550.15
7 <u>Labor and Industrial Relations</u>			
General Revenue	42.71	36.71	33.71
Federal Funds	637.19	616.60	615.85
Federal Stabilization	0.00	0.00	0.00
Other Funds	186.06	178.55	178.30
Total	865.96	831.86	827.86
8 <u>Public Safety</u>			
General Revenue	1,126.11	1,099.61	1,067.74
Federal Funds	380.99	383.29	384.29
Federal Stabilization	0.00	0.00	0.00
Other Funds	3,528.13	3,549.88	3,553.88
Total	5,035.23	5,032.78	5,005.91
9 <u>Corrections</u>			
General Revenue	11,100.73	10,994.09	10,978.09
Federal Funds	62.50	62.50	52.00
Federal Stabilization	0.00	0.00	0.00
Other Funds	267.40	267.40	265.40
Total	11,430.63	11,323.99	11,295.49

THE MISSOURI BUDGET

FY 2011 FTE SUMMARY

House <u>Bill</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>	Governor's Recommendation <u>FY 2011</u>
10 <u>Mental Health</u>			
General Revenue	8,012.41	6,635.07	6,271.59
Federal Funds	637.63	1,554.99	1,626.67
Federal Stabilization	0.00	61.73	0.00
Other Funds	26.00	40.00	40.00
Total	8,676.04	8,291.79	7,938.26
10 <u>Health and Senior Services</u>			
General Revenue	732.89	709.24	674.22
Federal Funds	1,081.14	1,079.94	1,079.94
Federal Stabilization	0.00	0.00	0.00
Other Funds	100.37	104.59	104.59
Total	1,914.40	1,893.77	1,858.75
11 <u>Social Services</u>			
General Revenue	2,790.77	2,270.79	2,123.45
Federal Funds	4,814.26	5,249.37	5,100.20
Federal Stabilization	0.00	0.00	0.00
Other Funds	573.05	573.04	571.03
Total	8,178.08	8,093.20	7,794.68
12 <u>Elected Officials</u>			
General Revenue	662.83	668.83	668.83
Federal Funds	100.51	100.51	105.51
Federal Stabilization	0.00	0.00	0.00
Other Funds	211.68	217.68	217.68
Total	975.02	987.02	992.02
12 <u>Judiciary</u>			
General Revenue	3,243.30	3,106.33	3,246.30
Federal Funds	101.25	101.25	101.25
Federal Stabilization	0.00	137.97	0.00
Other Funds	60.50	60.50	60.50
Total	3,405.05	3,406.05	3,408.05
12 <u>Public Defender</u>			
General Revenue	558.13	570.13	570.13
Federal Funds	0.00	0.00	0.00
Federal Stabilization	0.00	0.00	0.00
Other Funds	2.00	2.00	2.00
Total	560.13	572.13	572.13
12 <u>General Assembly</u>			
General Revenue	711.09	710.09	709.92
Federal Funds	0.00	0.00	0.00
Federal Stabilization	0.00	0.00	0.00
Other Funds	1.25	1.25	1.25
Total	712.34	711.34	711.17

THE MISSOURI BUDGET

FY 2011 FTE SUMMARY

House <u>Bill</u>	FY 2009 <u>Budget</u>	FY 2010 <u>Budget</u>	Governor's Recommendation <u>FY 2011</u>
14 <u>Operating Supplemental</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	1.50	0.00
Federal Stabilization	0.00	5.25	0.00
Other Funds	0.00	0.00	0.00
Total	0.00	6.75	0.00
 <u>Total Operating Budget</u>			
General Revenue	32,345.60	29,888.63	29,384.49
Federal Funds	10,058.49	11,405.38	11,390.06
Federal Stabilization	0.00	206.45	0.00
Other Funds	17,468.71	17,135.54	17,310.37
Total	59,872.80	58,636.00	58,084.92

SUPPLEMENTAL RECOMMENDATIONS FISCAL YEAR 2010

	<u>GENERAL REVENUE</u>	<u>FEDERAL BUDGET STABILIZA- TION FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL*</u>
Department of Elementary and Secondary Education	\$ 86,168,682	\$ 4,490,222	\$ 28,700,000	\$ 23,000,010	\$ 142,358,914
Department of Revenue	0	2,974,158	53,030	0	3,027,188
Office of Administration	0	25,000	0	0	25,000
Department of Insurance, Financial Institutions and Professional Registration	0	0	0	5,000	5,000
Department of Labor and Industrial Relations	0	175,000	0	0	175,000
Department of Public Safety	0	1,099,947	0	4,207,940	5,307,887
Department of Corrections	0	280,641	0	0	280,641
Department of Mental Health	0	2,712,493	996,701	1,525,484	5,234,678
Department of Health and Senior Services	0	21,031,404	37,651,179	1	58,682,584
Department of Social Services	0	80,169,612	119,219,322	15,400,001	214,788,935
Judiciary	0	35,633	0	0	35,633
TOTAL HOUSE BILL 2014	\$ 86,168,682	\$112,994,110	\$186,620,232	\$ 44,138,436	\$ 429,921,460

*Excludes refunds and other items not included in Executive Budget totals.

PUBLIC DEBT

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 1,674,289	\$ 20,004	\$ 20,004	\$ 20,004
Fourth State Building Bonds	17,899,237	18,355,982	16,834,607	16,834,607
Water Pollution Control Bonds	34,880,973	36,947,539	51,223,880	51,223,880
Stormwater Control Bonds	2,797,043	3,315,833	4,715,549	4,715,549
Third State Building Bonds	<u>37,018,217</u>	<u>33,412,938</u>	<u>5,560,632</u>	<u>5,560,632</u>
TOTAL	\$ 94,269,759	\$ 92,052,296	\$ 78,354,672	\$ 78,354,672
General Revenue Fund	86,364,184	83,604,814	74,891,457	74,891,457
WPC Series A 2007-37G-Other	0	1	1	1
WPC Series A 2007-37E-Other	0	1	1	1
Water and Wastewater Loan Revolving Fund	7,905,575	8,447,480	3,463,213	3,463,213
Total Full-time Equivalent Employees	0.00	0.00	0.00	0.00

State of Missouri general obligation bond issues consistently have received the highest ratings, "Triple A", from Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. Missouri is one of only seven states that have this rating from all three rating organizations. The other states are Delaware, Georgia, Maryland, North Carolina, Utah, and Virginia. General obligation bonds can only be issued through voter-approved amendments to the state constitution. Currently, outstanding general obligation bonds are for the four purposes identified below.

Fourth State Building Bonds: In August 1994, Missouri voters approved a fourth state building bond issue of \$250 million to provide essential prison capacity, new residential beds for juvenile offenders, and significant new higher education construction and renovation.

Water Pollution Control Bonds: Missouri voters approved several water pollution control bond issuances totaling \$725 million. Water pollution control bond proceeds help local governments construct wastewater and stormwater control facilities and improve public drinking water systems. These infrastructure improvements support local economic development, protect Missouri waterways from pollution, and help ensure safe drinking water supplies.

Stormwater Control Bonds: In November 1998, Missouri voters approved stormwater control bond issuances of \$200 million for stormwater control plans, studies, and projects.

Third State Building Bonds: In 1982, Missouri voters approved \$600 million in bonds to be issued for improvements to state buildings and property. Proceeds from these bonds were used to improve the State's parks, stimulate the economy, and improve and construct rail and highway access.

PUBLIC DEBT

ADMINISTRATION OF PUBLIC DEBT

The Board of Fund Commissioners administers the general obligation bonded indebtedness of the state. The board is comprised of the following members pursuant to Section 33.300, RSMo: Governor, Lieutenant Governor, Attorney General, State Auditor, State Treasurer, and Commissioner of Administration. Administrative expenses are associated with the sale and processing of the state's general obligation bonds. The board directs the payment of principal and interest on state debt. General obligation bonds issued by the state of Missouri are rated "Triple A" by Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. In addition, the Board of Fund Commissioners is obligated to repay to the United States Treasury excess interest earnings (arbitrage rebate) on water pollution control bonds, stormwater control bonds, third state building bonds, and fourth state building bonds.

Fiscal Year 2011 Governor's Recommendations

- \$20,004 for the administration of public debt, including \$20,002 general revenue.

FOURTH STATE BUILDING BONDS DEBT SERVICE

Missouri voters approved \$250 million in fourth state building bonds under the provisions of Article III, Section 37, Missouri Constitution to be used for capital improvement projects at state facilities and higher education institutions. Bond sales were authorized by the General Assembly in Fiscal Year 1995, and bonds were then sold on a cash-as-needed basis to meet scheduled construction timetables. With the final sale of \$50 million on June 1, 1998, all \$250 million in voter-approved bonds have been issued.

This appropriation provides for principal and interest payments on fourth state building bonds now outstanding. The money is transferred from general revenue to the Fourth State Building Bond and Interest Fund one year in advance of its appropriation.

Fiscal Year 2011 Governor's Recommendations

- \$16,834,607 for the transfer of general revenue for debt service on currently outstanding fourth state building bonds.

PUBLIC DEBT

SUMMARY OF FOURTH STATE BUILDING BONDS ISSUANCES

Issuance	Final Maturity Fiscal Year	Principal Amount Issued	Principal Amount Repaid	Principal Amount Refunded/Deceased	Principal Outstanding As of 1/1/09
Series A 1995	2005	\$ 75,000,000	\$ 18,700,000	\$ 56,300,000	\$ 0
Series A 1996	Refunded	125,000,000	24,800,000	100,200,000	0
Series A 1998	Refunded	50,000,000	9,030,000	40,970,000	0
Totals Excluding Refunding Issuances		\$ 250,000,000	\$ 52,530,000	\$ 197,470,000	\$ 0
Series A 2002 Refunding	2022	154,840,000	17,380,000	0	137,460,000
Series A 2005 Refunding	2017	45,330,000	0	1,035,000	44,295,000
Totals Including Refunding Issuances		\$ 450,170,000	\$ 69,910,000	\$ 198,505,000	\$ 181,755,000

FOURTH STATE BUILDING BONDS COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
1996	\$ 1,380,000.00	\$ 4,311,020.00	\$ 5,691,020.00
1997	1,480,000.00	7,773,776.25	9,253,776.25
1998	4,260,000.00	11,177,882.50	15,437,882.50
1999	5,625,000.00	13,406,382.50	19,031,382.50
2000	5,900,000.00	13,077,082.50	18,977,082.50
2001	6,160,000.00	12,716,357.50	18,876,357.50
2002	6,470,000.00	12,339,770.00	18,809,770.00
2003	6,765,000.00	11,156,394.27	17,921,394.27
2004	7,080,000.00	10,498,993.76	17,578,993.76
2005	7,410,000.00	10,043,368.76	17,453,368.76
2006	0.00	8,981,897.93	8,981,897.93
2007	1,470,000.00	9,499,181.26	10,969,181.26
2008	7,780,000.00	9,306,831.26	17,086,831.26
2009	8,130,000.00	8,896,231.26	17,026,231.26
2010	10,320,000.00	8,434,981.26	18,754,981.26
2011	10,440,000.00	7,915,981.26	18,355,981.26
2012	9,415,000.00	7,419,606.26	16,834,606.26
2013	18,180,000.00	6,729,731.26	24,909,731.26
2014	10,295,000.00	6,101,503.13	16,396,503.13
2015	20,620,000.00	5,412,275.00	26,032,275.00
2016	22,200,000.00	4,341,775.00	26,541,775.00
2017	23,750,000.00	3,193,025.00	26,943,025.00
2018	12,450,000.00	2,288,025.00	14,738,025.00
2019	13,095,000.00	1,649,400.00	14,744,400.00
2020	13,700,000.00	1,039,462.50	14,739,462.50
2021	8,460,000.00	577,125.00	9,037,125.00
2022	8,830,000.00	198,675.00	9,028,675.00
TOTAL	\$ 251,665,000.00	\$ 198,486,735.42	\$ 450,151,735.42

Total principal includes refunding excess of \$2,700,000 which does not count toward the \$250 million constitutional authorization. Total principal has also been reduced by \$1,035,000 of legally defeased bonds.

PUBLIC DEBT

WATER POLLUTION CONTROL BONDS DEBT SERVICE

Missouri voters have authorized the state to sell \$725 million in water pollution control bonds under the provisions of Article III, Section 37, Missouri Constitution. Increments of bonds are then authorized by the General Assembly and issued on a cash-as-needed basis to fund wastewater treatment projects approved by the Missouri Clean Water Commission. Currently, \$594.5 million in bonds, excluding refunding issuances, have been issued. General revenue is transferred to the Water Pollution Control Bond and Interest Fund one year in advance of its appropriation for principal and interest payments.

Fiscal Year 2011 Governor's Recommendations

- \$51,223,880 for the transfer of funds for debt service on currently outstanding water pollution control bonds, including \$47,760,667 general revenue.

SUMMARY OF WATER POLLUTION CONTROL BONDS ISSUANCES

Issuance	Final Maturity Fiscal Year	Principal Amount Issued	Principal Amount Repaid	Principal Amount Refunded/Defeased	Principal Outstanding As of 1/1/09
Series A 1972	1997	\$ 20,000,000	\$ 20,000,000	\$ 0	\$ 0
Series A 1974	1999	8,000,000	8,000,000	0	0
Series B 1974	1995	15,000,000	15,000,000	0	0
Series A 1977	1997	31,494,240	31,494,240	0	0
Series A 1981	Refunded	20,000,000	3,060,000	16,940,000	0
Series A 1983	Refunded	20,000,000	3,585,000	16,415,000	0
Series B 1983	Refunded	10,000,000	375,000	9,625,000	0
Series A 1985	Refunded	20,000,000	425,000	19,575,000	0
Series A 1986	Refunded	60,000,000	13,600,000	46,400,000	0
Series B 1987	Refunded	35,000,000	4,305,000	30,695,000	0
Series A 1989	Refunded	35,000,000	7,720,000	27,280,000	0
Series A 1991	Refunded	35,000,000	7,650,000	27,350,000	0
Series A 1992	Refunded	35,000,000	8,440,000	26,560,000	0
Series A 1993	2004	30,000,000	7,650,000	22,350,000	0
Series A 1995	2005	30,000,000	7,480,000	22,520,000	0
Series A 1996	Refunded	35,000,000	6,940,000	28,060,000	0
Series A 1998	Refunded	35,000,000	6,320,000	28,680,000	0
Series A 1999	Refunded	20,000,000	2,405,000	17,595,000	0
Series A 2001	2026	20,000,000	4,260,000	80,000	15,660,000
Series A 2002	2028	30,000,000	4,675,000	0	25,325,000
Series A 2007	2033	50,000,000	1,105,000	0	48,895,000
Totals Excluding Refunding Issuances		\$ 594,494,240	\$ 164,489,240	\$ 340,125,000	\$ 89,880,000
Series A 1987 Refunding	Refunded	49,715,000	16,475,000	33,240,000	0
Series B 1991 Refunding	Refunded	17,435,000	6,080,000	11,355,000	0
Series C 1991 Refunding	Refunded	33,575,000	11,700,000	21,875,000	0
Series B 1992 Refunding	Refunded	50,435,000	16,840,000	33,595,000	0
Series B 1993 Refunding	Refunded	109,415,000	32,875,000	76,540,000	0
Series B 2002 Refunding	2022	147,710,000	50,015,000	0	97,695,000
Series A 2003 Refunding	2017	74,655,000	2,715,000	51,535,000	20,405,000
Series A 2005 Refunding	2017	95,100,000	0	0	95,100,000
Totals Including Refunding Issuances		\$ 1,172,534,240	\$ 301,189,240	\$ 568,265,000	\$ 303,080,000

PUBLIC DEBT

WATER POLLUTION CONTROL BONDS				
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS				
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	
1973	\$ 570,000.00	\$ 930,188.68	\$ 1,500,188.68	
1974	485,000.00	986,240.00	1,471,240.00	
1975	705,000.00	1,751,569.56	2,456,569.56	
1976	1,105,000.00	2,145,455.00	3,250,455.00	
1977	1,160,000.00	2,080,357.50	3,240,357.50	
1978	2,129,240.00	3,259,522.70	5,388,762.70	
1979	2,240,000.00	3,405,992.50	5,645,992.50	
1980	2,355,000.00	3,278,505.00	5,633,505.00	
1981	2,475,000.00	3,146,440.00	5,621,440.00	
1982	3,135,000.00	4,730,807.06	7,865,807.06	
1983	3,165,000.00	4,694,670.00	7,859,670.00	
1984	3,580,000.00	6,591,015.00	10,171,015.00	
1985	3,915,000.00	6,805,965.00	10,720,965.00	
1986	4,325,000.00	8,378,860.00	12,703,860.00	
1987	4,650,000.00	10,567,758.28	15,217,758.28	
1988	4,840,000.00	11,131,392.44	15,971,392.44	
1989	6,805,000.00	13,815,388.63	20,620,388.63	
1990	7,225,000.00	14,573,892.38	21,798,892.38	
1991	8,240,000.00	15,275,401.13	23,515,401.13	
1992	8,770,000.00	14,529,565.51	23,299,565.51	
1993	10,110,000.00	16,610,720.57	26,720,720.57	
1994	11,540,000.00	15,670,014.33	27,210,014.33	
1995	13,690,000.00	16,312,826.27	30,002,826.27	
1996	13,880,000.00	17,131,521.28	31,011,521.28	
1997	14,790,000.00	17,175,506.28	31,965,506.28	
1998	12,605,000.00	17,258,681.28	29,863,681.28	
1999	14,210,000.00	18,152,123.78	32,362,123.78	
2000	14,525,000.00	17,798,035.65	32,323,035.65	
2001	15,690,000.00	17,488,317.53	33,178,317.53	
2002	16,375,000.00	17,663,053.78	34,038,053.78	
2003	15,325,000.00	15,878,275.62	31,203,275.62	
2004	12,470,000.00	15,001,903.93	27,471,903.93	
2005	13,075,000.00	14,905,332.54	27,980,332.54	
2006	11,130,000.00	13,014,879.19	24,144,879.19	
2007	11,735,000.00	13,626,462.52	25,361,462.52	
2008	13,895,000.00	14,193,349.81	28,088,349.81	
2009	14,270,000.00	14,664,012.52	28,934,012.52	
2010	22,825,000.00	13,744,025.02	36,569,025.02	
2011	24,370,000.00	12,577,537.52	36,947,537.52	
2012	40,235,000.00	10,988,878.14	51,223,878.14	
2013	24,270,000.00	9,447,693.76	33,717,693.76	
2014	31,895,000.00	8,208,415.01	40,103,415.01	
2015	23,695,000.00	6,972,756.26	30,667,756.26	
2016	21,815,000.00	5,906,962.51	27,721,962.51	
2017	24,470,000.00	4,796,368.76	29,266,368.76	
2018	12,515,000.00	3,904,231.26	16,419,231.26	
2019	10,395,000.00	3,350,262.51	13,745,262.51	
2020	8,640,000.00	2,913,250.01	11,553,250.01	
2021	6,705,000.00	2,585,718.76	9,290,718.76	
2022	7,005,000.00	2,283,712.51	9,288,712.51	
2023	4,760,000.00	2,017,437.51	6,777,437.51	
2024	4,990,000.00	1,793,981.26	6,783,981.26	
2025	5,235,000.00	1,552,156.26	6,787,156.26	
2026	5,410,000.00	1,290,012.51	6,700,012.51	
2027	4,360,000.00	1,016,868.76	5,376,868.76	
2028	4,570,000.00	793,618.76	5,363,618.76	
2029	2,720,000.00	618,168.76	3,338,168.76	
2030	2,845,000.00	492,956.26	3,337,956.26	
2031	2,980,000.00	361,893.76	3,341,893.76	
2032	3,115,000.00	222,809.38	3,337,809.38	
2033	3,260,000.00	75,387.50	3,335,387.50	
TOTAL	\$ 604,269,240.00	\$ 502,539,106.00	\$ 1,106,808,346.00	

Total principal includes refunding excess of \$9,855,000 which does not count toward the \$725 million constitutional authorization. Total principal has also been reduced by \$80,000 of legally defeased bonds.

PUBLIC DEBT

STORMWATER CONTROL BONDS DEBT SERVICE

Missouri voters have authorized the state to sell \$200 million in stormwater control bonds under the provisions of Article III, Section 37, Missouri Constitution. Increments of bonds are then authorized by the General Assembly and issued on a cash-as-needed basis to fund stormwater control projects. Currently, \$45 million in bonds, excluding refunding issuances, have been issued. General revenue is transferred to the Stormwater Control Bond and Interest Fund one year in advance of its appropriation for payment of principal and interest.

Fiscal Year 2011 Governor's Recommendations

- \$4,715,549 for the transfer of general revenue for debt service on currently outstanding stormwater control bonds.

SUMMARY OF STORMWATER CONTROL BONDS ISSUANCES

<u>Issuance</u>	<u>Final Maturity Fiscal Year</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Repaid</u>	<u>Principal Amount Refunded/Defeased</u>	<u>Principal Outstanding As of 1/1/09</u>
Series A 1999	Refunded	\$ 20,000,000	\$ 2,405,000	\$ 17,595,000	\$ 0
Series A 2001	2026	10,000,000	2,130,000	235,000	7,635,000
Series A 2002	2028	<u>15,000,000</u>	<u>2,335,000</u>	<u>1,640,000</u>	<u>11,025,000</u>
Totals Excluding Refunding Issuances		\$ 45,000,000	\$ 6,870,000	\$ 19,470,000	\$ 18,660,000
Series A 2005 Refunding	2016	<u>17,175,000</u>	<u>0</u>	<u>0</u>	<u>17,175,000</u>
Totals Including Refunding Issuances		\$ 62,175,000	\$ 6,870,000	\$ 19,470,000	\$ 35,835,000

PUBLIC DEBT

**STORMWATER CONTROL BONDS
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2000	\$ 0.00	\$ 541,461.88	\$ 541,461.88
2001	445,000.00	1,070,352.51	1,515,352.51
2002	695,000.00	1,535,101.26	2,230,101.26
2003	725,000.00	1,820,680.01	2,545,680.01
2004	1,095,000.00	2,093,433.76	3,188,433.76
2005	1,145,000.00	2,037,133.76	3,182,133.76
2006	650,000.00	1,712,090.83	2,362,090.83
2007	680,000.00	1,899,170.00	2,579,170.00
2008	705,000.00	1,821,776.25	2,526,776.25
2009	730,000.00	1,754,907.50	2,484,907.52
2010	1,405,000.00	1,702,470.00	3,107,470.02
2011	1,690,000.00	1,625,832.50	3,315,832.52
2012	3,205,000.00	1,510,548.13	4,715,548.14
2013	3,850,000.00	1,341,988.76	5,191,988.76
2014	4,255,000.00	1,146,208.76	5,401,208.76
2015	4,540,000.00	933,193.76	5,473,193.76
2016	4,215,000.00	720,443.76	4,935,443.76
2017	1,010,000.00	592,700.01	1,602,700.01
2018	1,060,000.00	543,131.26	1,603,131.26
2019	1,110,000.00	494,068.76	1,604,068.76
2020	1,165,000.00	442,312.51	1,607,312.51
2021	1,220,000.00	387,156.26	1,607,156.26
2022	1,280,000.00	328,409.38	1,608,409.38
2023	1,340,000.00	265,393.75	1,605,393.75
2024	1,410,000.00	198,887.50	1,608,887.50
2025	1,480,000.00	129,462.50	1,609,462.50
2026	1,320,000.00	56,637.50	1,376,637.50
2027	280,000.00	7,000.00	287,000.00
TOTAL	\$ 42,705,000.00	\$ 28,711,952.86	\$ 71,416,952.93

Total principal includes refunding excess of (\$420,000) which does not count toward the \$200 million constitutional authorization. Total principal has also been reduced by \$1,875,000 of legally defeased bonds.

PUBLIC DEBT

THIRD STATE BUILDING BONDS DEBT SERVICE

Missouri voters approved \$600 million in third state building bonds to be used for capital improvement projects at state facilities and for specific types of local economic development projects under Article III, Section 37, Missouri Constitution. The General Assembly authorized issuance of \$75 million for Fiscal Year 1983, \$50 million for Fiscal Year 1984, \$75 million for Fiscal Year 1985, and \$325 million for Fiscal Year 1986. Bonds were then sold on a cash-as-needed basis to meet scheduled construction timetables. With the final sale of \$75 million on December 1, 1987, all \$600 million in voter-approved bonds have been issued.

This appropriation provides for principal and interest payments on third state building bonds now outstanding. The money is transferred from general revenue to the Third State Building Bond Interest and Sinking Fund one year in advance of its appropriation.

Fiscal Year 2011 Governor's Recommendations

- \$5,560,632 for the transfer of general revenue for debt service on currently outstanding third state building bonds.

SUMMARY OF THIRD STATE BUILDING BONDS ISSUANCES

<u>Issuance</u>	<u>Final Maturity Fiscal Year</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Repaid</u>	<u>Principal Amount Refunded/Defeased</u>	<u>Principal Outstanding As of 1/1/09</u>
Series A 1983	Refunded	\$ 40,000,000	\$ 7,165,000	\$ 32,835,000	\$ 0
Series B 1983	Refunded	35,000,000	1,325,000	33,675,000	0
Series A 1984	Refunded	50,000,000	1,870,000	48,130,000	0
Series A 1985	Refunded	75,000,000	1,625,000	73,375,000	0
Series A 1986	Refunded	325,000,000	73,645,000	251,355,000	0
Series B 1987	Refunded	75,000,000	9,220,000	65,780,000	0
Totals Excluding Refunding Issuances		\$ 600,000,000	\$ 94,850,000	\$ 505,150,000	\$ 0
Series A 1987 Refunding	Refunded	170,115,000	56,390,000	113,725,000	0
Series A 1991 Refunding	Refunded	34,870,000	11,935,000	22,935,000	0
Series B 1991 Refunding	Refunded	71,955,000	24,635,000	47,320,000	0
Series A 1992 Refunding	Refunded	273,205,000	92,035,000	181,170,000	0
Series A 1993 Refunding	Refunded	148,480,000	69,100,000	79,380,000	0
Series A 2002 Refunding	2013	211,630,000	142,955,000	0	68,675,000
Series A 2003 Refunding	2013	75,650,000	64,920,000	0	10,730,000
Totals Including Refunding Issuances		\$ 1,585,905,000	\$ 556,820,000	\$ 949,680,000	\$ 79,405,000

PUBLIC DEBT

**THIRD STATE BUILDING BONDS
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
1984	\$ 470,000.00	\$ 4,842,987.50	\$ 5,312,987.50
1985	1,490,000.00	11,034,230.00	12,524,230.00
1986	2,270,000.00	17,725,712.50	19,995,712.50
1987	2,745,000.00	30,902,276.22	33,647,276.22
1988	5,865,000.00	36,209,164.83	42,074,164.83
1989	11,430,000.00	44,179,397.16	55,609,397.16
1990	12,280,000.00	43,153,872.16	55,433,872.16
1991	13,235,000.00	42,050,290.91	55,285,290.91
1992	14,230,000.00	37,998,667.16	52,228,667.16
1993	15,755,000.00	36,585,883.33	52,340,883.33
1994	17,280,000.00	32,547,322.96	49,827,322.96
1995	20,000,000.00	30,798,942.51	50,798,942.51
1996	21,550,000.00	29,172,938.76	50,722,938.76
1997	23,175,000.00	27,523,861.26	50,698,861.26
1998	23,985,000.00	25,883,931.26	49,868,931.26
1999	28,305,000.00	24,158,196.88	52,463,196.88
2000	30,345,000.00	22,248,060.00	52,593,060.00
2001	31,485,000.00	20,471,257.50	51,956,257.50
2002	31,615,000.00	18,933,312.50	50,548,312.50
2003	29,340,000.00	14,477,728.61	43,817,728.61
2004	19,370,000.00	13,017,349.86	32,387,349.86
2005	33,930,000.00	12,602,912.50	46,532,912.50
2006	39,195,000.00	10,925,562.50	50,120,562.50
2007	41,535,000.00	8,974,287.50	50,509,287.50
2008	44,015,000.00	6,981,862.50	50,996,862.50
2009	41,925,000.00	4,979,687.50	46,904,687.50
2010	36,615,000.00	3,016,187.50	39,631,187.50
2011	32,115,000.00	1,297,937.50	33,412,937.50
2012	5,185,000.00	375,631.25	5,560,631.25
2013	5,490,000.00	128,100.00	5,618,100.00
TOTAL	\$ 636,225,000.00	\$ 613,197,552.62	\$ 1,249,422,552.62

Total principal includes refunding excess of \$36,225,000 which does not count toward the \$600 million constitutional authorization.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
General Administration	\$ 226,554,254	\$ 250,627,373	\$ 280,696,383	\$ 282,549,652
Foundation Formula	2,969,011,969	3,004,388,410	3,110,093,730	3,022,388,410
Other Public School Aid	1,154,959,586	1,221,771,873	1,224,469,434	1,200,165,884
School Improvement/Teacher Quality and Urban Education	362,508,699	384,327,653	373,801,838	358,480,678
Vocational Rehabilitation	93,933,593	104,881,801	112,692,393	109,017,369
Career Education	66,291,010	71,409,726	72,909,726	72,835,801
Special Education	302,730,213	329,714,550	335,150,661	333,138,241
Board Operated Schools Operations	47,525,217	51,611,368	50,811,368	49,444,204
Commission for the Deaf and Hard of Hearing	395,955	403,792	403,792	403,792
Assistive Technology Council	2,760,117	3,785,175	3,762,480	3,762,480
Children's Services Commission	0	10,000	10,000	10,000
DEPARTMENTAL TOTAL	\$ 5,226,670,613	\$ 5,422,931,721 *	\$ 5,564,801,805	\$ 5,432,196,511
General Revenue Fund	131,162,717	132,379,958	139,216,963	127,145,115
Federal Budget Stabilization Fund	0	524,041,206	0	218,345,962
Federal Funds	888,305,923	970,980,627	998,693,498	1,017,828,377
School District Bond Fund	346,306	392,000	392,000	392,000
Outstanding Schools Trust Fund **	645,367,691	518,600,000	518,600,001	448,600,000
Bingo Proceeds for Education Fund	1,707,167	1,707,167	1,707,167	1,701,355
Lottery Proceeds Fund	166,980,849	169,648,445	169,648,446	142,459,483
State School Moneys Fund ***	2,309,723,010	1,900,496,477	2,531,867,360	2,303,282,913
Excellence in Education Fund	1,539,575	2,646,073	2,646,073	2,646,073
School District Trust Fund ****	730,325,409	760,600,000	760,600,001	760,600,000
Missouri Commission for the Deaf and Hard of Hearing Funds	134,487	169,100	169,100	169,100
Missouri Assistive Technology Council Funds	2,337,289	2,970,079	2,960,606	2,960,606
Classroom Trust Fund *****	307,880,397	307,100,979	307,100,980	383,468,473
Part C Early Intervention Fund	5,223,919	5,295,254	5,295,254	5,295,254
Early Childhood Development, Education and Care Fund	14,876,157	15,336,244	15,336,244	15,336,244
Schools First Elementary and Secondary Education Improvement Fund *****	19,929,408	108,602,556	108,602,556	0
Other Funds	830,309	1,965,556	1,965,556	1,965,556
Total Full-time Equivalent Employees	1,685.42	1,746.21	1,771.21	1,738.71
General Revenue Fund	948.86	880.45	880.45	849.95
Federal Funds	725.13	853.76	878.76	876.76
Other Funds	11.43	12.00	12.00	12.00

DEPARTMENT SUMMARY

Despite the current economic crisis, Governor Nixon's Fiscal Year 2011 budget provides a record level of funding for the classroom, through the foundation formula. In addition, high need and early childhood special education funding has increased over \$15.1 million. These additional resources are being provided at the same time that the state overall is facing tremendous revenue challenges.

The Fiscal Year 2011 budget provides \$5.4 billion for elementary and secondary education. The core functions provided by the Department of Elementary and Secondary Education include:

- Administering educational policies of the state and supervising instruction in the public schools.
- Distributing school funding, including the Foundation Program, and state and federal grant programs.
- Granting certificates of qualification and licenses to teach in the public schools of the state.
- Providing vocational rehabilitation services to Missourians with disabilities to help them obtain employment.

The Department of Elementary and Secondary Education is supervised by the State Board of Education, which consists of eight members appointed for eight-year terms by the Governor with the advice and consent of the Senate. The board appoints the Commissioner of Education as its chief administrative officer.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

- * Does not include \$142,358,914 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Elementary and Secondary Education supplemental appropriations.
- ** Outstanding Schools Trust Fund receives an annual transfer from general revenue.
- *** The State School Moneys Fund receives an annual transfer from general revenue, the Fair Share Fund, County Foreign Insurance Tax, and cigarette taxes.
- **** The School District Trust Fund receives revenues generated by a one cent sales tax (Proposition C).
- ***** The Classroom Trust Fund receives an annual transfer from the Gaming Proceeds for Education Fund and unclaimed lottery prize money.
- ***** The Schools First Elementary and Secondary Education Improvement Fund, created by Proposition A (2008), received an annual transfer from the Gaming Proceeds for Education Fund that ended in Fiscal Year 2010.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
GENERAL ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administrative and Financial Services	\$ 5,128,619	\$ 6,361,580	\$ 6,359,849
Court-Ordered Payments	10,000,000	9,000,000	0
Early Grade Literacy/Professional Development	492,500	145,000	0
School Food Services	210,390,719	219,728,793	258,797,803
School District Bond Program	346,306	392,000	392,000
Federal Grants and Donations	196,110	15,000,000	15,000,000
American Recovery and Reinvestment Act of 2009 (ARRA) Reporting System	0	0	2,000,000
TOTAL	\$ 226,554,254	\$ 250,627,373	\$ 282,549,652
PERSONAL SERVICE			
General Revenue Fund	2,182,274	1,965,162	1,965,162
Federal Funds	923,814	1,003,940	1,128,940
Other Funds	213,244	250,556	250,556
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,274,881	1,156,706	1,524,975
Federal Funds	1,321,700	3,363,699	2,438,699
Other Funds	1,143,434	2,244,517	2,244,517
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	12,303,008	11,313,151	1,943,151
Federal Funds	206,272,046	228,641,642	270,510,652
Other Funds	919,853	688,000	543,000
TOTAL			
General Revenue Fund	15,760,163	14,435,019	5,433,288
Federal Funds	208,517,560	233,009,281	274,078,291
Other Funds	2,276,531	3,183,073	3,038,073
Total Full-time Equivalent Employees	72.11	67.50	67.50
General Revenue Fund	43.96	41.00	41.00
Federal Funds	22.28	20.50	20.50
Other Funds	5.87	6.00	6.00

The Department of Elementary and Secondary Education's administrative responsibilities include the distribution of all federal and state funds to local school districts and other agencies. The department also administers the department's Court Ordered Payment Program that was the result of the 1997 desegregation settlement with the Kansas City and St. Louis school districts. As of Fiscal Year 2010, the payments phased out.

Other administrative functions of the department include the supervision and administration of the School Food Program, School District Bond Program, and Federal Grants and Donations.

Fiscal Year 2011 Governor's Recommendations

- \$39,069,010 federal funds for school food services.
- \$2,000,000 federal funds for ARRA Reporting System implementation.
- (\$9,000,000) core reduction for Court Ordered Payments.
- (\$145,000) Lottery Proceeds Fund core reduction for the Early Grade Literacy Program.
- (\$1,731) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
PUBLIC SCHOOL AID**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Foundation - Formula	\$ 2,969,011,969	\$ 3,004,388,410	\$ 3,022,388,410
Foundation - Small Schools Program	15,000,000	15,000,000	15,000,000
Foundation - Transportation	167,797,713	183,603,843	167,797,713
Foundation - Early Childhood Special Education	113,130,513	123,564,281	135,210,376
Foundation - Career Ladder	36,573,504	37,467,000	37,467,000
Foundation - Career Education	52,930,429	52,930,428	50,069,028
Foundation - Parent Education/Parents As Teachers	34,304,636	30,874,186	26,786,767
School District Trust Fund	730,325,409	760,600,000	760,600,000
Virtual Education	4,897,382	4,800,000	390,000
Rebuild Missouri Schools Fund	0	5,337,135	0
Intra District Metro Transportation	0	750,000	0
Critical Needs/Professional Development/ Scholars Academy/Fine Arts Academy	0	6,845,000	6,845,000
TOTAL	\$ 4,123,971,555	\$ 4,226,160,283	\$ 4,222,554,294
PERSONAL SERVICE			
Federal Funds	0	350,000	0
EXPENSE AND EQUIPMENT			
Other Funds	1,996,908	103,315	107,661
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	727,500	0	0
Federal Funds	0	522,618,006	218,345,961
Other Funds	4,121,247,147	3,703,088,962	4,004,100,672
TOTAL			
General Revenue Fund	727,500	0	0
Federal Funds	0	522,968,006	218,345,961
Other Funds	4,123,244,055	3,703,192,277	4,004,208,333
Total Full-time Equivalent Employees	0.00	0.00	0.00

A multitude of programs and funding sources are utilized to ensure all Missouri children receive a quality education. The bulk of state aid is distributed to districts via the foundation formula. In 2005, Senate Bill 287 was signed into law resulting in a phased-in new foundation formula to distribute state aid to Missouri schools. Missouri's foundation formula now apportions money to school districts based on a per-student target of adequate funding. State funds are distributed to school districts based on this "adequacy target" times the number of students, minus the funding provided through local property and other taxes. The formula provides additional funding for children struggling with the English language, financial constraints, and special needs. In addition, the formula uses a regional dollar value modifier to address cost of living differences throughout the state.

In addition to the State's General Revenue Fund, revenues from cigarette taxes, insurance taxes, gaming taxes, and lottery proceeds are distributed via the foundation formula.

- Cigarette tax revenues are generated from a per package tax. Thirteen-cents of the state's seventeen-cent cigarette tax are used to fund education.
- Insurance tax revenues (County Foreign) are generated from the receipts of a two percent, per annum tax levied on the direct premiums of insurance companies not based in Missouri but doing business in the state. One-half of the previous year's net receipts are distributed to school districts.
- The state's share of 21 percent of the adjusted gross receipts tax on gaming revenues is transferred to the Classroom Trust Fund and distributed directly to school districts as a component of the foundation formula.
- Lottery proceeds, less the amount needed to fund the Lottery Commission expenses, administrative costs, and prizes, are used to fund education. In addition, all of the unclaimed lottery prize money is transferred to the Classroom Trust Fund and distributed to the school districts.

In addition to the foundation formula, Missouri's Public School Aid includes funding for categorical add-on programs.

- The transportation add-on pays school districts up to 75 percent of the allowable costs of school bus and other transportation.
- The Career Ladder Program provides an incentive to teachers, librarians, and counselors who voluntarily participate in professional development activities. This program is financed by state and local matching funds.
- Career education provides for a full range of career education programs, services, and activities relating to agricultural education; business, marketing, and cooperative education; family and consumer sciences; health sciences; and trade and industrial education.
- The Early Childhood Development Program provides state reimbursement to school districts that provide any of three programs for preschool children: 1) developmental screenings; 2) parent education; and 3) programs for the developmentally delayed.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION PUBLIC SCHOOL AID

The Small School Success Program provides additional funding for small school districts throughout the state. The School District Trust Fund provides additional funding distributed directly to districts to be used largely at their discretion. School District Trust Fund revenues are generated from a one percent sales tax for elementary and secondary education. Statewide areas of critical need for learning and development are funded through grants and allocations to programs, organizations, school districts, and Regional Professional Development Centers.

Fiscal Year 2011 Governor's Recommendations

- \$477,413,871 State School Moneys Fund for the foundation formula.
- \$37,467,000 State School Moneys Fund for Career Ladder funding to replace federal budget stabilization funds.
- \$20,000,000 State School Moneys Fund for transportation funding to replace federal budget stabilization funds.
- \$11,646,095 State School Moneys Fund for the Early Childhood Special Education Program.
- (\$522,968,006) Federal Budget Stabilization Fund core reduction.
- (\$15,806,130) Schools First Elementary and Secondary Education Improvement Fund core reduction from the Fiscal Year 2010 appropriation level of transportation funding through the foundation formula.
- (\$4,410,000) Lottery Proceeds Fund core reduction from the Fiscal Year 2010 appropriation level for the Missouri Virtual Education Program.
- (\$4,087,419) State School Moneys Fund core reduction from the Fiscal Year 2010 appropriation level for the Early Childhood Development Program.
- (\$2,861,400) State School Moneys Fund transferred to the Department of Economic Development for the Customized Training Program.

To ensure adequate funding is available for Missouri's Public School Aid, a number of transfers are made from general revenue (GR), the Gaming Proceeds for Education Fund (GPEF), and the Lottery Proceeds Fund (LPF) to the Outstanding Schools Trust Fund (OSTF), State School Moneys Fund (SSMF), and the Classroom Trust Fund (CRTF). A one-time transfer was made in Fiscal Year 2010 from the Federal Budget Stabilization Fund to the Rebuild Missouri Schools Fund (RMSF). The Schools First Elementary and Secondary Education Improvement Fund, created by Proposition A (2008), received an annual transfer from the Gaming Proceeds for Education Fund that ended in Fiscal Year 2010.

Transferred From	Transferred To	FY09 Actual	FY10 Appropriation	FY11 Dept Request	FY11 Recommendation	FY11 Change
GR	OSTF	\$644,817,690	\$518,600,000	\$518,600,000	\$448,600,000	(\$70,000,000)
GR	SSMF	\$2,142,093,604	\$1,712,136,845	\$1,709,275,445	\$2,126,804,013	\$417,528,568
GR-County Foreign	SSMF	\$99,271,991	\$106,000,000	\$106,000,000	\$103,800,000	(\$2,200,000)
Fair Share Fund	SSMF	\$22,668,937	\$22,800,000	\$22,800,000	\$21,600,000	(\$1,200,000)
Gaming Proceeds For Education Fund	CRTF	\$297,314,441	\$297,314,440	\$297,314,440	\$371,308,000	\$73,993,560
Lottery Proceeds Fund – Unclaimed Prizes	CRTF	\$12,160,473	\$9,786,539	\$9,786,539	\$12,160,473	\$2,373,934
Gaming Proceeds For Education Fund	SFEIF	\$19,929,346	\$108,602,556	\$108,602,556	\$0	(\$108,602,556)
Federal Budget Stabilization Fund	RMSF	\$0	\$5,337,135	\$5,337,135	\$0	(\$5,337,135)

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
School Improvement Administration	\$ 6,407,563	\$ 8,959,714	\$ 8,799,155
Teacher Quality and Urban Education Administration	1,130,450	1,045,157	995,594
Technology	3,569,757	5,000,000	5,000,000
Title I Academic Standards and Assessments	213,558,813	200,000,000	200,000,000
Title I Reading First	18,240,445	27,908,815	10,000,000
Title V, Part A - State Grants for Innovative Programs	2,345,922	3,500,000	2,100,000
Stephen M Ferman Fund - Gifted	6,190	10,000	10,000
Scholars Academy	642,757	0	0
Early Childhood Program	15,121,484	16,179,800	16,179,800
A+ Schools Program	20,291,443	25,336,524	0
Performance Based Assessment	11,191,614	15,013,039	15,013,039
Advanced Placement/Dual Credit	309,858	105,000	105,000
Title II Improve Teacher Quality	52,803,930	59,348,890	59,348,890
Title IV, Part A - Safe and Drug-Free Schools and Communities	3,693,475	7,600,000	7,600,000
Safe Schools Program *	2,969,897	0	683,000
Charter Schools	0	2,432,000	2,432,000
Scholarships	357,500	0	0
Urban Flight and Rural Need Scholarship	120,887	0	0
Title VI, Part B - Rural and Low-income Schools	3,150,416	3,600,000	3,600,000
Title III, Part A - Language Acquisition	3,704,888	5,200,000	5,200,000
Federal Refugees	139,463	800,000	800,000
Character Education Initiatives	834,754	774,514	0
Schools with Distinction	1,500	13,000	13,000
Head Start Collaboration	171,164	300,000	300,000
eMINTS	924,016	0	0
Wallace Grant Aligned Leadership	820,513	1,200,000	300,000
Missouri History Teachers Program	0	1,200	1,200
ARRA - Race to the Top Grant	0	0	20,000,000
TOTAL	\$ 362,508,699	\$ 384,327,653	\$ 358,480,678
PERSONAL SERVICE			
General Revenue Fund	2,473,561	2,254,254	2,052,586
Federal Funds	2,830,753	2,964,644	2,964,644
EXPENSE AND EQUIPMENT			
General Revenue Fund	438,211	486,331	462,679
Federal Funds	1,167,027	6,156,471	5,895,471
Other Funds	79,128	462,425	462,425
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	6,590,999	3,528,691	823,013
Federal Funds	310,229,303	326,951,250	326,930,235
Other Funds	38,699,717	41,523,587	18,889,625
TOTAL			
General Revenue Fund	9,502,771	6,269,276	3,338,278
Federal Funds	314,227,083	336,072,365	335,790,350
Other Funds	38,778,845	41,986,012	19,352,050
Total Full-time Equivalent Employees	119.81	108.66	105.16
General Revenue Fund	58.47	44.59	41.09
Federal Funds	61.34	64.07	64.07

*The Safe Schools Program was funded in House Bill 22 in Fiscal Year 2010.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION

The Division of School Improvement manages state and federal grant programs in addition to providing consultant services and technical assistance to local school districts. The division is comprised of three main areas: School Improvement and Accreditation, Curriculum Services and Assessment, and federal programs.

- School Improvement and Accreditation is responsible for the collection and maintenance of school core data, accrediting school districts through the Missouri School Improvement Program, supervising academically deficient schools, and administering Charter Schools.
- Curriculum Services and Assessment is responsible for providing curriculum technical assistance to school districts, overseeing the Missouri Assessment Program, providing support for gifted programs, and administering the Missouri Scholars and Fine Arts Academies.
- The division also monitors federal compliance with No Child Left Behind and manages multiple federal entitlement and discretionary grants.

The Division of Teacher Quality and Urban Education carries out the department's statutory obligations relating to educator certification, recruitment and retention, preparation, and professional development.

- Educator Certification is responsible for issuing and revoking certificates of license to teach, as well as maintaining records of certificated professionals.
- Educator Preparation administers MoSTEP, a program that evaluates professional education programs at Missouri higher education institutions.
- Educator Recruitment and Retention provides technical assistance to local districts and oversees programs including Career Ladder, and professional staff tuition reimbursement.
- Professional Development designs, implements, and evaluates a variety of professional development events related to school improvement, instructional leadership, and student success.

Fiscal Year 2011 Governor's Recommendations

- \$20,000,000 federal ARRA 2009 grant funds for the Race to the Top Grant.
- \$683,000 for completion of school district projects under the Safe Schools Program.
- \$73,200 to replace federal budget stabilization funds.
- (\$25,336,524) transferred to the Department of Higher Education for the Missouri Promise Program, including (\$3,477,076) general revenue.
- (\$17,908,815) federal funds core reduction from the Title I Reading First program, which has been eliminated.
- (\$1,400,000) federal funds core reduction from the Title V, Part A state grants for innovative programs, which has been eliminated.
- (\$900,000) federal funds core reduction from the Wallace Leadership Grant program.
- (\$774,514) Lottery Proceeds Fund core reduction for Character Education Initiatives.
- (\$180,122) and (2.5) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$73,200) Federal Budget Stabilization Fund core reduction for one-time expenditures.
- (\$30,000) and (one) staff transferred to the Department of Higher Education for scholarship program administration.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF VOCATIONAL REHABILITATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Field Support Services	\$ 24,327,805	\$ 29,874,959	\$ 30,101,949
Vocational Rehabilitation	51,580,432	56,134,902	55,963,480
Disability Determinations	13,096,618	14,000,000	18,000,000
Independent Living Centers	4,928,738	4,871,940	4,871,940
Dartmouth Grant	0	0	80,000
TOTAL	\$ 93,933,593	\$ 104,881,801	\$ 109,017,369
PERSONAL SERVICE			
Federal Funds	22,254,683	26,342,351	27,121,665
EXPENSE AND EQUIPMENT			
General Revenue Fund	9,786	6,880	6,880
Federal Funds	6,692,934	9,963,808	9,411,484
Other Funds	3,645	15,000	15,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	15,727,766	16,203,063	16,031,641
Federal Funds	47,499,223	50,575,143	54,655,143
Other Funds	1,745,556	1,775,556	1,775,556
TOTAL			
General Revenue Fund	15,737,552	16,209,943	16,038,521
Federal Funds	76,446,840	86,881,302	91,188,292
Other Funds	1,749,201	1,790,556	1,790,556
Total Full-time Equivalent Employees	546.54	643.70	666.70
Federal Funds	546.54	643.70	666.70

The Division of Vocational Rehabilitation provides services to Missourians with disabilities to help them overcome impediments to employment and is comprised of three sections.

- Vocational Rehabilitation assists individuals with disabilities to obtain and/or maintain employment.
- Disability Determinations is responsible for collecting and documenting medical evidence of a disability and is funded by the federal Social Security Administration.
- Independent Living Centers are non-residential, private, non-profit, consumer-controlled, community-based organizations providing services and advocacy by and for persons with all types of disabilities.

Fiscal Year 2011 Governor's Recommendations

- \$4,000,000 federal funds for the Disability Determinations program expansion.
- \$1,024,302 federal funds and 25 staff for increased disability determinations services.
- \$80,000 federal funds for the Supported Employment Evidence Based Grant awarded from Dartmouth College.
- (\$797,312) federal funds and (two) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$171,422) core reduction from the Fiscal Year 2010 appropriation level in the Vocational Rehabilitation Program Grant, which is match related to the division staff reduction.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF CAREER EDUCATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Career Education Administration	\$ 4,299,820	\$ 4,482,404	\$ 4,408,478
Vocational Education - Distribution to School	20,581,579	26,000,000	26,000,000
Workforce Investment Act	9,530,364	8,000,000	8,000,000
Adult Education and Literacy	14,292,657	15,355,329	15,355,329
Afterschool Programming	17,481,109	17,418,383	18,918,383
Troops to Teachers	105,481	153,610	153,610
ARRA Transfer	0	0	1
TOTAL	\$ 66,291,010	\$ 71,409,726	\$ 72,835,801
PERSONAL SERVICE			
General Revenue Fund	1,332,404	1,337,180	1,270,321
Federal Funds	1,910,091	2,188,587	2,188,587
EXPENSE AND EQUIPMENT			
General Revenue Fund	436,137	441,344	434,277
Federal Funds	1,584,633	1,111,501	1,111,501
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	4,308,008	4,230,846	4,230,846
Federal Funds	55,895,257	61,265,788	62,765,789
Other Funds	824,480	834,480	834,480
TOTAL			
General Revenue Fund	6,076,549	6,009,370	5,935,444
Federal Funds	59,389,981	64,565,876	66,065,877
Other Funds	824,480	834,480	834,480
Total Full-time Equivalent Employees	80.05	83.50	81.50
General Revenue Fund	32.68	28.40	26.40
Federal Funds	47.37	55.10	55.10

The Division of Career Education provides individuals with services that supply the technical knowledge and skills needed to prepare for employment. The division also develops state plans for career education and adult education and literacy that form the basis for distribution of federal and state funds to local education agencies. The Division of Career Education includes:

- The Distribution to Schools Program that oversees grants provided to educational institutions for improving career-technical programs and distribution of funds to career education programs located in public school districts, institutions of higher education, state agencies, and business establishments.
- The federal Workforce Investment Act that provides federal funds that can be used for skill training for 15 service delivery areas in Missouri.
- The Adult Basic Education Program that provides training in the fundamental skills of English, reading, and mathematics. To enroll in a class, a person must be 16 years of age or older, out of school, and lacking a high school diploma.
- The Special Literacy Grant Award Program which was established to respond to the increasing numbers of adults needing basic education services.
- The federal Child Care and Development Block Grant that provides funds to house school-aged child care programs in school buildings when they are not being used for educational classes.
- The Troops to Teachers Program that is designed to encourage military personnel transitioning to the civilian labor force to consider teaching as a post-military career.

Fiscal Year 2011 Governor's Recommendations

- \$1,500,000 federal funds for Afterschool Programming.
- \$1 federal funds on an open-ended basis to transfer federal stimulus funds for payment for job training programs under the Workforce Investment Act.
- (\$73,926) and (two) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF SPECIAL EDUCATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Special Education Administration	\$ 2,378,369	\$ 2,888,623	\$ 2,876,203
Special Education Grant	212,852,011	235,315,211	235,315,211
First Steps	32,330,630	30,376,184	30,376,184
DFS/DMH School Placements	10,099,337	10,099,337	10,099,337
Sheltered Workshops	21,198,353	24,786,000	24,786,000
Readers for the Blind	25,000	25,000	25,000
Blind Student Literacy	237,950	237,950	237,950
High Need Fund	23,511,563	25,886,245	29,322,356
Special Olympics	97,000	100,000	100,000
TOTAL	\$ 302,730,213	\$ 329,714,550	\$ 333,138,241
PERSONAL SERVICE			
General Revenue Fund	200,123	219,453	208,480
Federal Funds	1,839,195	2,120,535	2,120,535
EXPENSE AND EQUIPMENT			
General Revenue Fund	9,089,788	2,197,649	2,196,202
Federal Funds	1,421,392	3,287,089	3,287,089
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	31,821,306	43,448,244	51,759,037
Federal Funds	222,689,599	240,309,394	240,309,394
Other Funds	35,668,810	38,132,186	33,257,504
TOTAL			
General Revenue Fund	41,111,217	45,865,346	54,163,719
Federal Funds	225,950,186	245,717,018	245,717,018
Other Funds	35,668,810	38,132,186	33,257,504
Total Full-time Equivalent Employees	45.89	52.00	52.00
General Revenue Fund	4.04	4.50	4.50
Federal Funds	41.85	47.50	47.50

The Division of Special Education is responsible for state and federal special education funds for Missouri public schools. The division administers:

- Special education grants that provide federal funds to districts to aid them in the purchase of instructional and technological equipment and services for disabled children.
- The High Need Fund and the Excess Cost of Public Placements which are programs designed to aid school districts with education costs that exceed a district's normal expenditure per pupil. Excess Cost of Public Placements was created to address the issue of children in residential placements per the direction of the courts, the Department of Social Services, or the Department of Mental Health.
- The First Steps Program that is designed for children, birth to age 3, who have delayed development or diagnosed conditions that are associated with development disabilities.
- Sheltered Workshops that are non-profit corporations that give people with disabilities a controlled working environment. Programs are designed to enable persons to progress toward normal living and develop their work capacities.
- The Readers for the Blind Program that provides funds to employ readers for blind students served in local school districts.
- The Blind Literacy Task Force which was established to improve special education, vocational training, work to school transitions, rehabilitation services, independent living, and employment outcomes for blind and visually impaired students.

Fiscal Year 2011 Governor's Recommendations

- \$8,310,793 for the Special Education High Need Program.
- (\$4,874,682) Schools First Elementary and Secondary Education Improvement Fund core reduction from the Fiscal Year 2010 appropriation level for the Special Education High Need Program.
- (\$12,420) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
BOARD OPERATED SCHOOLS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Board Operated Schools TOTAL	\$ 47,525,217	\$ 51,611,368	\$ 49,444,204
PERSONAL SERVICE			
General Revenue Fund	28,523,578	29,095,143	28,387,503
Federal Funds	100,055	485,008	485,008
EXPENSE AND EQUIPMENT			
General Revenue Fund	13,451,031	14,155,468	13,507,969
Federal Funds	3,251,390	4,507,881	3,701,668
Other Funds	2,172,026	3,262,166	3,256,354
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	10,888	105,701	105,701
Other Funds	16,249	1	1
TOTAL			
General Revenue Fund	41,985,497	43,356,312	42,001,173
Federal Funds	3,351,445	4,992,889	4,186,676
Other Funds	2,188,275	3,262,167	3,256,355
Total Full-time Equivalent Employees	806.20	773.85	748.85
General Revenue Fund	803.78	754.96	729.96
Federal Funds	2.42	18.89	18.89

The State Board of Education operates two residential facilities, the School for the Blind in St. Louis and the School for the Deaf in Fulton, and day-school facilities – the Missouri Schools for the Severely Disabled located throughout the state. The Department of Elementary and Secondary Education oversees the distribution of state, federal, and private donations to these institutions.

- The Missouri School for the Blind offers elementary and secondary education in a residential school environment for blind or visually impaired students from ages 5 to 21 years.
- The Missouri School for the Deaf provides elementary and secondary education in a residential school environment for deaf- or hearing-impaired students from ages 5 to 21 years. The school provides separate facilities for primary age, intermediate age, and high school students.
- For students too severely disabled to be served effectively by local public schools, the department operates 37 state schools and contracts with private non-profit agencies to provide educational services for children the state schools cannot practically serve. These schools offer day programs in basic and prevocational training with the ultimate goal of assisting students in functioning semi-independently in their home and communities.

Fiscal Year 2011 Governor's Recommendations

- \$200,000 federal funds to expand special education program authority.
- (\$1,000,000) Federal Budget Stabilization Fund core reduction for one-time expenditures.
- (\$933,601) and (25) staff transferred to the Office of Administration for consolidation of facility related services, including (\$921,576) general revenue.
- (\$433,563) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
COMMISSION FOR THE DEAF AND HARD OF HEARING**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Commission for the Deaf and Hard of Hearing TOTAL	\$ 395,955	\$ 403,792	\$ 403,792
PERSONAL SERVICE			
General Revenue Fund	223,718	197,944	197,944
Other Funds	0	33,100	33,100
EXPENSE AND EQUIPMENT			
General Revenue Fund	37,726	36,748	36,748
Other Funds	133,612	135,900	135,900
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	24	0	0
Other Funds	875	100	100
TOTAL			
General Revenue Fund	261,468	234,692	234,692
Other Funds	134,487	169,100	169,100
Total Full-time Equivalent Employees	5.93	7.00	7.00
General Revenue Fund	5.93	7.00	7.00

The Missouri Commission for the Deaf and Hard of Hearing and the Board for Certification of Interpreters are assigned to the Department of Elementary and Secondary Education.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
MISSOURI ASSISTIVE TECHNOLOGY COUNCIL**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri Assistive Technology Council TOTAL	\$ 2,760,117	\$ 3,785,175	\$ 3,762,480
PERSONAL SERVICE			
Federal Funds	164,715	226,265	226,265
Other Funds	263,415	265,165	265,165
EXPENSE AND EQUIPMENT			
Federal Funds	36,417	134,938	121,716
Other Funds	90,246	406,000	396,527
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	221,696	453,893	453,893
Other Funds	1,983,628	2,298,914	2,298,914
TOTAL			
Federal Funds	422,828	815,096	801,874
Other Funds	2,337,289	2,970,079	2,960,606
Total Full-time Equivalent Employees	8.89	10.00	10.00
Federal Funds	3.33	4.00	4.00
Other Funds	5.56	6.00	6.00

The Missouri Assistive Technology Council is assigned to the Department of Elementary and Secondary Education. The council supports access to adaptive devices that increase the independence and productivity of Missourians with all types of disabilities. The council provides adaptive telecommunication devices and computer adaptations, short-term loan of a full range of assistive technology, used equipment exchange, and low-interest loans for the purchase of assistive technology and home modifications.

Fiscal Year 2011 Governor's Recommendations

- (\$22,695) federal and other funds transferred to the Office of Administration for leasing costs.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
MISSOURI CHILDREN'S SERVICES COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Children's Services Commission			
TOTAL	\$ 0	\$ 10,000	\$ 10,000
EXPENSE AND EQUIPMENT	0	10,000	10,000
TOTAL			
Other Funds	0	10,000	10,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Missouri Children's Services Commission is assigned to the Department of Elementary and Secondary Education. The Missouri Children's Services Commission takes a leadership role in identifying and evaluating programs and state services that affect the children of Missouri.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF HIGHER EDUCATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Higher Education Coordination	\$ 952,640	\$ 1,046,095	\$ 1,046,095	\$ 963,072
Proprietary School Regulation	176,173	277,150	277,150	264,696
Midwestern Higher Education Compact	95,000	95,000	95,000	95,000
Federal Education Programs	1,699,730	4,930,957	4,930,957	4,930,957
Financial Aid	239,883,028	249,615,293	249,615,293	295,213,948
Community Colleges	143,926,093	148,377,417	148,377,417	140,661,608
Technical Colleges	5,079,521	5,390,771	5,236,620	4,964,309
Four-Year Colleges and Universities	783,664,707	841,320,427	807,901,766	765,832,004
University of Missouri - Related Programs	45,598,877	54,661,193	48,111,193	39,136,517
DEPARTMENTAL TOTAL	\$ 1,221,075,769	\$ 1,305,714,303	\$ 1,265,591,491	\$ 1,252,062,111
General Revenue Fund	995,568,860	921,114,922	1,025,901,561	932,016,690
Federal Budget Stabilization Fund	0	146,334,912	1,425,461	39,952,504
Federal Funds	3,221,433	6,168,003	6,168,003	6,168,003
Lender of Last Resort Revolving Fund	0	1	1	1
Missouri Student Grant Program Gift Fund	0	50,000	50,000	50,000
Lottery Proceeds Fund	83,572,268	86,356,977	86,356,977	108,185,425
Spinal Cord Injury Fund	199,481	400,000	400,000	400,000
State Seminary Moneys Fund	209,107	250,000	250,000	250,000
Healthy Families Trust Fund	437,640	437,640	437,640	437,640
GEAR UP Scholarship Fund	406,645	450,000	450,000	450,000
Proprietary School Bond Fund	0	100,000	100,000	100,000
Recruitment and Retention Scholarship Fund	0	50,000	50,000	50,000
State Seminary Fund	2,835,828	3,000,000	3,000,000	3,000,000
Guaranty Agency Operating Fund	13,158,645	16,001,848	16,001,848	16,001,848
Federal Student Loan Reserve Fund	121,465,862	125,000,000	125,000,000	145,000,000
Total Full-time Equivalent Employees	72.56	75.67	75.67	75.67
General Revenue Fund	14.83	16.50	16.50	17.00
Federal Funds	6.45	7.08	7.08	6.58
Other Funds	51.28	52.09	52.09	52.09

DEPARTMENT SUMMARY

A successful recovery from the recent economic collapse depends on job creation. Attracting new employers and encouraging new small businesses start with educated and qualified workers. To that end, the Fiscal Year 2011 budget focuses on making post-secondary education accessible and affordable for Missouri students and families. The Fiscal Year 2011 budget includes new funding for the Veteran's Survivors Grant Program, providing higher education grants for spouses or children of Missouri veterans killed or injured in combat. Also, even during these difficult budget times, Governor Nixon was able to reach an agreement with all of Missouri's public two-year and four-year colleges and universities whereby they would agree not to raise tuition in the 2010-2011 school year in exchange for the funding levels recommended in the Fiscal Year 2011 budget.

The Fiscal Year 2011 budget provides \$1.3 billion for the Department of Higher Education. The core functions provided by the Department of Higher Education include:

- Supporting Missouri's two- and four-year institutions of higher education. Missouri's higher education institutions play a critical role in supplying the skilled workers that are necessary to stimulate economic growth in the state.
- Providing financial assistance to allow Missouri students access to higher education and encourage the state's top academic achievers to attend Missouri higher education institutions.
- Planning for post-secondary education, evaluating institutional missions and performance, regulating proprietary institutions, and approving new degree programs offered by public colleges and universities.

**DEPARTMENT OF HIGHER EDUCATION
HIGHER EDUCATION COORDINATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Higher Education Coordination TOTAL	\$ 952,640	\$ 1,046,095	\$ 963,072
PERSONAL SERVICE			
General Revenue Fund	466,961	531,508	523,225
Federal Funds	236,307	209,846	209,846
EXPENSE AND EQUIPMENT			
General Revenue Fund	226,782	277,541	202,801
Federal Funds	22,590	27,200	27,200
TOTAL			
General Revenue Fund	693,743	809,049	726,026
Federal Funds	258,897	237,046	237,046
Total Full-time Equivalent Employees	15.60	17.50	16.76
General Revenue Fund	10.12	11.42	11.18
Federal Funds	5.48	6.08	5.58

This program includes the Commissioner of Higher Education, the general administrative staff, and the expenses of the Coordinating Board. Under direction of the Coordinating Board, the administrative staff reviews and coordinates the programs of approximately 59 public and private institutions of higher education. Staff also prepares the Coordinating Board's budget recommendations for public colleges and universities. Other program responsibilities include collecting and distributing student enrollment data and reviewing and approving proposed new degree programs at public institutions.

Fiscal Year 2011 Governor's Recommendations

- (\$83,023) and (.74) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
PROPRIETARY SCHOOL REGULATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Proprietary School Regulation	\$ 176,173	\$ 177,150	\$ 164,696
Proprietary School Bond	0	100,000	100,000
TOTAL	\$ 176,173	\$ 277,150	\$ 264,696
PERSONAL SERVICE			
General Revenue Fund	145,005	150,658	145,673
EXPENSE AND EQUIPMENT			
General Revenue Fund	31,168	26,492	19,023
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	100,000	100,000
TOTAL			
General Revenue Fund	176,173	177,150	164,696
Other Funds	0	100,000	100,000
Total Full-time Equivalent Employees	3.22	3.08	2.97
General Revenue Fund	3.22	3.08	2.97

Sections 173.600 through 173.619, RSMo, provide for the regulation of proprietary schools operating in the State of Missouri. There are approximately 156 proprietary schools in operation. The Coordinating Board is charged with the authority to issue, revoke, or suspend certificates of approval ensuring that proprietary schools meet minimum state standards, place schools on probation, require each school to file a security bond, and collect data from certified proprietary schools.

Fiscal Year 2011 Governor's Recommendations

- (\$12,454) and (.11) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
MIDWESTERN HIGHER EDUCATION COMPACT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Midwestern Higher Education Compact TOTAL	\$ 95,000	\$ 95,000	\$ 95,000
EXPENSE AND EQUIPMENT General Revenue Fund	95,000	95,000	95,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Midwestern Higher Education Compact is a consortium of states that work together on student exchange agreements, higher education research and policy development, and cost saving programs in which Missouri institutions may participate. Membership in the organization requires payment of annual dues. Missouri became a member state of the Midwestern Higher Education Compact pursuant to the provisions of Sections 173.708 through 173.710, RSMo.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF HIGHER EDUCATION
FEDERAL EDUCATION PROGRAMS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Improving Teacher Quality State Grants Program	\$ 1,263,091	\$ 1,782,422	\$ 1,782,422
Federal Grants and Donations	436,639	2,000,000	2,000,000
College Access Challenge Grants	<u>0</u>	<u>1,148,535</u>	<u>1,148,535</u>
TOTAL	\$ 1,699,730	\$ 4,930,957	\$ 4,930,957
PERSONAL SERVICE	42,557	134,622	134,622
EXPENSE AND EQUIPMENT	27,260	2,017,800	2,017,800
PROGRAM SPECIFIC DISTRIBUTION	1,629,913	2,778,535	2,778,535
TOTAL			
Federal Funds	1,699,730	4,930,957	4,930,957
Total Full-time Equivalent Employees	0.97	1.00	1.00
Federal Funds	0.97	1.00	1.00

The Improving Teacher Quality State Grants Program provides federal funds for the improvement of instruction in the core subject areas in grades K-12. The Department of Higher Education administers its portion of these funds through a competitive grant process. The funds are used to design and develop professional development projects addressing the needs of K-12 teachers in the targeted core academic subjects of mathematics and science.

In addition, department staff will continue to pursue federal grants, foundation resources, and private donations to support new programs.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF HIGHER EDUCATION
FINANCIAL AID**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
GRANTS AND SCHOLARSHIPS			
Administration	\$ 105,580	\$ 140,423	\$ 175,502
Academic Scholarship Program	15,868,230	16,359,000	16,359,000
Access Missouri Financial Assistance Program	88,346,794	90,827,307	90,827,307
Missouri Promise Program	0	0	25,313,326
Public Service Survivor Grant Program	88,014	100,000	100,000
Vietnam Veterans Survivors Scholarship Program	31,008	50,000	50,000
Marguerite Ross Barnett Scholarship Program	412,250	403,750	403,750
Veteran's Survivors Grant Program	0	0	281,250
Minority Teaching Scholarship Program	0	200,000	169,000
Minority and Underrepresented Environmental Literacy Program	0	82,964	82,964
GEAR UP PROGRAM	406,645	450,000	450,000
MISSOURI STUDENT LOAN PROGRAM	134,624,507	141,001,849	161,001,849
TOTAL	\$ 239,883,028	\$ 249,615,293	\$ 295,213,948
PERSONAL SERVICE			
General Revenue Fund	69,866	102,152	128,400
Other Funds	2,124,342	2,095,886	2,095,886
EXPENSE AND EQUIPMENT			
General Revenue Fund	35,714	38,271	47,102
Other Funds	10,228,500	12,515,961	12,515,961
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	91,924,323	94,806,354	98,541,482
Federal Funds	1,262,806	1,000,000	1,000,000
Other Funds	134,237,477	139,056,669	180,885,117
TOTAL			
General Revenue Fund	92,029,903	94,946,777	98,716,984
Federal Funds	1,262,806	1,000,000	1,000,000
Other Funds	146,590,319	153,668,516	195,496,964
Total Full-time Equivalent Employees	52.77	54.09	54.94
General Revenue Fund	1.49	2.00	2.85
Other Funds	51.28	52.09	52.09

ADMINISTRATION OF STATE GRANT AND SCHOLARSHIP PROGRAMS

Administration of state grant and scholarship programs includes determining an applicant's eligibility for a grant, determining the amount of individual grants, issuing payments, and monitoring school financial aid offices for compliance with program requirements. In Fiscal Year 2010, it is anticipated that approximately 55,000 grants and scholarships totaling \$109 million will be distributed by the department.

Fiscal Year 2011 Governor's Recommendations

- \$53,198 and one staff transferred from the Department of Elementary and Secondary Education to administer the Missouri Promise Program.
- (\$18,119) and (.15) staff core reduction from the Fiscal Year 2010 appropriation level.

ACADEMIC SCHOLARSHIP PROGRAM

The Academic Scholarship ("Bright Flight") Program provides \$2,000 scholarships for Missouri high school graduating seniors scoring in the top three percent of all Missouri students taking either the American College Test (ACT) or the Scholastic Aptitude Test (SAT) of the College Board. The students must use the scholarship to attend a Missouri college or university. The scholarships are renewable up to a total of ten semesters. An estimated 8,500 students will be awarded scholarships in Fiscal Year 2011.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF HIGHER EDUCATION FINANCIAL AID

ACCESS MISSOURI FINANCIAL ASSISTANCE PROGRAM

The Access Missouri Financial Assistance Program provides need-based scholarships to eligible Missouri residents. Need is determined based on the student's expected family contribution with different award amounts depending on the type of higher education institution the student attends. Under current law, students attending private four-year colleges and universities are eligible to receive up to \$4,600 in taxpayer-funded scholarships while students attending Missouri's public four-year institutions are capped at \$2,150.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI PROMISE PROGRAM

The Missouri A+ Scholarship Program provides for two years of tuition reimbursement at public community colleges or vocational or technical schools for qualified students who fulfill community service requirements. The Missouri Promise Program will replace and expand the A+ Scholarship Program. Under the Missouri Promise Program, all public high school students will for the first time be eligible for two years of tuition reimbursement at a community college. In addition, middle-class and low-income students satisfactorily completing their second year of community college will continue on for their third and fourth years at the state public college or university of their choice tuition free.

Fiscal Year 2011 Governor's Recommendations

- \$25,313,326 transferred from the Department of Elementary and Secondary Education for the Missouri Promise Program, including \$3,453,878 general revenue.

PUBLIC SERVICE SURVIVOR GRANT PROGRAM

The Public Service Survivor Grant Program provides educational benefits to the children and spouses of certain public employees killed or permanently and totally disabled in the line of duty. An eligible child, up to the age of 24, or an eligible spouse may receive a grant to enroll in a program leading to a certificate, associate degree, or baccalaureate degree at an approved public or private post-secondary institution. The grant may not exceed the amount paid in tuition by a full-time undergraduate Missouri resident at the University of Missouri.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

VIETNAM VETERANS SURVIVORS SCHOLARSHIP PROGRAM

The Vietnam Veterans Survivors Scholarship Program provides educational benefits to the spouse or child of a veteran of the Vietnam War whose death was caused by exposure to toxic chemicals. The maximum award may not exceed the amount of tuition paid by a full-time undergraduate Missouri resident at the University of Missouri.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MARGUERITE ROSS BARNETT SCHOLARSHIP PROGRAM

The Marguerite Ross Barnett Scholarship Program provides grants to part-time undergraduate students who are employed and compensated for at least 20 hours per week and who have financial need. The maximum award may not exceed the amount of tuition paid by a part-time undergraduate Missouri resident at the University of Missouri.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF HIGHER EDUCATION FINANCIAL AID

VETERAN'S SURVIVORS GRANT PROGRAM

The Veteran's Survivors Grant Program provides up to 25 grants to spouses or children of Missouri veterans who died or became at least 80 percent disabled as a result of injuries or accidents sustained in combat action after September 11, 2001. The maximum award may not exceed the amount of tuition paid by a full-time undergraduate resident at the University of Missouri plus up to a \$2,000 room and board allowance and a \$500 book allowance per semester.

Fiscal Year 2011 Governor's Recommendations

- \$281,250 for the Veteran's Survivors Grant Program. Funding this program is possible because of savings generated from the rebidding of the Department of Revenue fee offices.

MINORITY TEACHING SCHOLARSHIP PROGRAM

The Minority Teaching Scholarship Program provides \$2,000 scholarships to Missouri minority high school graduates and college students who enter and make a commitment to pursue a teacher education program and who meet specified academic standards.

Fiscal Year 2011 Governor's Recommendations

- (\$31,000) Lottery Proceeds Fund core reduction from the Fiscal Year 2010 appropriation level.

MINORITY AND UNDERREPRESENTED ENVIRONMENTAL LITERACY PROGRAM

The Minority and Underrepresented Environmental Literacy Program provides scholarships to full-time minority and underrepresented students who pursue a bachelor's or master's degree in an environmental-related field of study at a Missouri college or university and who meet specified academic standards.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

GEAR UP PROGRAM

The Department of Higher Education was awarded a federal GEAR UP grant in 2000 to help improve the educational attainment of low-income, underrepresented Missouri students through early college preparation and awareness activities. Activities began when students were in middle school and continued to focus on those same students through their high school years. Although the college preparation and outreach components of the grant have been completed, the grant also contained a financial assistance component. Consequently, eligible students who participated in program activities at these high schools are receiving GEAR UP scholarships based on high school performance and financial need.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI STUDENT LOAN PROGRAM AND ADMINISTRATION

The Missouri Student Loan Program provides repayable loans to parents and students through commercial lending institutions. Since its inception in 1979, the program has guaranteed over 2.8 million loans totaling over \$10.2 billion. In Fiscal Year 2011, approximately 140 lending institutions will participate in loaning funds to students attending more than 115 eligible institutions. Nearly 185,000 loans totaling approximately \$750 million annually are guaranteed by the department benefiting close to 100,000 Missouri students and their families. The Missouri Student Loan Program uses private contractors to aid in processing and servicing its loans. The loan program staff performs activities including outreach services to students, schools, and lenders; the administration of the Administrative Wage Garnishment and Automated Transfer of Money programs; general loan program administration; and functions necessary to oversee contractor services and ensure compliance with state and federal law.

Fiscal Year 2011 Governor's Recommendations

- \$20,000,000 Federal Student Loan Reserve Fund to ensure there are sufficient funds to purchase defaulted loans.

**DEPARTMENT OF HIGHER EDUCATION
PUBLIC COMMUNITY COLLEGES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Crowder College	\$ 4,785,716	\$ 4,933,729	\$ 4,677,169
East Central College	5,554,924	5,726,726	5,428,929
Jefferson College	8,150,567	8,402,646	7,965,698
Metropolitan Community College	33,861,432	34,908,693	33,093,398
Mineral Area College	5,340,096	5,505,253	5,218,973
Moberly Area Community College	5,355,969	5,521,617	5,234,486
North Central Missouri College	2,636,135	2,717,665	2,576,343
Ozarks Technical Community College	10,921,900	11,259,691	10,674,173
St. Charles Community College	8,273,506	8,529,388	8,085,849
St. Louis Community College	48,689,758	50,195,627	47,585,393
State Fair Community College	5,661,959	5,837,071	5,533,536
Three Rivers Community College	4,694,131	4,839,311	4,587,661
TOTAL	\$ 143,926,093	\$ 148,377,417	\$ 140,661,608
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	136,697,182	125,885,582	127,043,415
Federal Funds	0	15,039,350	6,165,708
Lottery Proceeds Fund	7,228,911	7,452,485	7,452,485
TOTAL			
General Revenue Fund	136,697,182	125,885,582	127,043,415
Federal Funds	0	15,039,350	6,165,708
Lottery Proceeds Fund	7,228,911	7,452,485	7,452,485
Total Full-time Equivalent Employees	0.00	0.00	0.00

The budget recommendations for Missouri public community colleges are based on those developed by the Coordinating Board. The 12 institutions (19 campuses) eligible to receive state aid are: Crowder College in Neosho, East Central College in Union, Jefferson College in Hillsboro, Metropolitan Community College – five campuses in the Kansas City area, Mineral Area College in Park Hills, Moberly Area Community College in Moberly, North Central Missouri College in Trenton, Ozarks Technical Community College in Springfield, St. Charles Community College in St. Peters, St. Louis Community College – four campuses in St. Louis City and County, State Fair Community College in Sedalia, and Three Rivers Community College in Poplar Bluff.

Fiscal Year 2011 Governor's Recommendations

- (\$7,715,809) reduction as part of the agreement reached with the community colleges to freeze tuition one more year, including a net increase in general revenue of \$1,157,833 and a net decline in federal budget stabilization funds of (\$8,873,642):
 - (\$256,560) for Crowder College
 - (\$297,797) for East Central College
 - (\$436,948) for Jefferson College
 - (\$1,815,295) for Metropolitan Community College
 - (\$286,280) for Mineral Area College
 - (\$287,131) for Moberly Area Community College
 - (\$141,322) for North Central Missouri College
 - (\$585,518) for Ozarks Technical Community College
 - (\$443,539) for St. Charles Community College
 - (\$2,610,234) for St. Louis Community College
 - (\$303,535) for State Fair Community College
 - (\$251,650) for Three Rivers Community College

**DEPARTMENT OF HIGHER EDUCATION
LINN STATE TECHNICAL COLLEGE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Linn State Technical College			
TOTAL	\$ 5,079,521	\$ 5,390,771	\$ 4,964,309
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	4,671,609	4,119,636	4,326,177
Federal Funds	0	850,607	217,604
Lottery Proceeds Fund	407,912	420,528	420,528
TOTAL			
General Revenue Fund	4,671,609	4,119,636	4,326,177
Federal Funds	0	850,607	217,604
Lottery Proceeds Fund	407,912	420,528	420,528
Total Full-time Equivalent Employees	0.00	0.00	0.00

Sections 178.631 through 178.640, RSMo, establish Linn State Technical College with a statewide mission to offer highly specialized and advanced technical education and training at the certificate and associate degree level.

Fiscal Year 2011 Governor's Recommendations

- (\$272,311) reduction as part of the agreement reached with Linn State Technical College to freeze tuition one more year, including an increase in general revenue of \$206,541 and a net decline in federal budget stabilization funds of (\$478,852).
- (\$154,151) Federal Budget Stabilization Fund core reduction for one-time expenditures.

**DEPARTMENT OF HIGHER EDUCATION
PUBLIC FOUR-YEAR INSTITUTIONS OF HIGHER EDUCATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
University of Central Missouri	\$ 57,886,766	\$ 60,893,439	\$ 56,571,003
Southeast Missouri State University	47,186,626	49,818,221	46,114,081
Missouri State University	87,299,246	92,197,829	85,314,938
Lincoln University	19,187,388	20,587,974	18,751,260
Truman State University	43,806,665	45,917,849	42,810,941
Northwest Missouri State University	32,105,956	33,626,243	31,376,190
Missouri Southern State University	24,829,243	26,698,029	24,264,876
Missouri Western State University	22,880,701	24,436,075	22,360,622
Harris-Stowe State University	10,550,236	11,390,404	10,310,431
University of Missouri	437,931,880	475,754,364	427,957,662
TOTAL	\$ 783,664,707	\$ 841,320,427	\$ 765,832,004
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	719,288,429	652,483,636	665,895,515
Federal Funds	0	122,469,494	33,569,192
Lottery Proceeds Fund	64,376,278	66,367,297	66,367,297
TOTAL			
General Revenue Fund	719,288,429	652,483,636	665,895,515
Federal Funds	0	122,469,494	33,569,192
Lottery Proceeds Fund	64,376,278	66,367,297	66,367,297
Total Full-time Equivalent Employees	0.00	0.00	0.00

The budget recommendations for Missouri's ten public, four-year institutions of higher education are based on those developed by the Coordinating Board. Missouri's public, four-year institutions of higher education include: the University of Central Missouri at Warrensburg, Harris-Stowe State University at St. Louis, Lincoln University at Jefferson City, Missouri Southern State University at Joplin, Missouri Western State University at St. Joseph, Northwest Missouri State University at Maryville, Southeast Missouri State University at Cape Girardeau, Missouri State University at Springfield, Truman State University at Kirksville, and the University of Missouri system.

Fiscal Year 2011 Governor's Recommendations

- (\$42,069,762) reduction as part of the agreement reached with the public four-year institutions to freeze tuition one more year, including an increase in general revenue of \$13,411,879 and a net decline in federal budget stabilization funds of (\$55,481,641):
 - (\$3,106,075) for University of Central Missouri
 - (\$2,531,930) for Southeast Missouri State University
 - (\$4,684,284) for Missouri State University
 - (\$1,029,553) for Lincoln University
 - (\$2,350,569) for Truman State University
 - (\$1,722,734) for Northwest Missouri State University
 - (\$1,332,282) for Missouri Southern State University
 - (\$1,227,729) for Missouri Western State University
 - (\$566,103) for Harris-Stowe State University
 - (\$23,518,503) for the University of Missouri
- (\$33,418,661) Federal Budget Stabilization Fund core reduction for one-time expenditures:
 - (\$1,216,361) for University of Central Missouri
 - (\$1,172,210) for Southeast Missouri State University
 - (\$2,198,607) for Missouri State University
 - (\$807,161) for Lincoln University
 - (\$756,339) for Truman State University
 - (\$527,319) for Northwest Missouri State University
 - (\$1,100,871) for Missouri Southern State University
 - (\$847,724) for Missouri Western State University
 - (\$513,870) for Harris-Stowe State University
 - (\$24,278,199) for the University of Missouri

**DEPARTMENT OF HIGHER EDUCATION
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri Telehealth Network	\$ 824,670	\$ 815,640	\$ 611,730
MOREnet	11,753,375	12,754,612	8,565,959
University Hospital and Clinics	12,150,051	19,075,825	9,394,369
Missouri Rehabilitation Center	10,737,033	11,486,522	11,486,522
Missouri Institute of Mental Health	1,695,450	1,655,892	1,000,000
Missouri Kidney Program	3,701,457	3,765,097	3,200,332
State Historical Society	1,492,425	1,457,605	1,227,605
Spinal Cord Injury Research	199,481	400,000	400,000
State Seminary Investments	2,835,828	3,000,000	3,000,000
State Seminary Income on Investments	209,107	250,000	250,000
TOTAL	\$ 45,598,877	\$ 54,661,193	\$ 39,136,517
EXPENSE AND EQUIPMENT			
Other Funds	3,044,935	3,250,000	3,250,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	41,916,821	42,598,092	35,048,877
Federal Funds	0	7,975,461	0
Other Funds	637,121	837,640	837,640
TOTAL			
General Revenue Fund	41,916,821	42,598,092	35,048,877
Federal Funds	0	7,975,461	0
Other Funds	3,682,056	4,087,640	4,087,640
Total Full-time Equivalent Employees	0.00	0.00	0.00

The University of Missouri has administrative responsibility for a range of programs that are related to its institutional mission, but are not a part of the education and general operations: Missouri Telehealth Network, Missouri Research and Education Network (MOREnet), University Hospital and Clinics, Missouri Rehabilitation Center, Missouri Institute of Mental Health, Missouri Kidney Program, State Historical Society, Spinal Cord Injury Research Program, and investments and interest from State Seminary Fund and State Seminary Moneys Fund.

MISSOURI TELEHEALTH NETWORK

The Missouri Telehealth Network enhances access to care to people in underserved areas by providing the tools and training necessary for communities to develop and implement successful telehealth programs. The Missouri Telehealth Network has over 150 sites in 47 Missouri counties and the City of St. Louis including Federally Qualified Health Centers (FQHCs), hospitals, community mental health clinics, a state habilitation center, an army hospital, two schools of medicine, and a school of nursing.

Fiscal Year 2011 Governor's Recommendations

- (\$203,910) core reduction from the Fiscal Year 2010 appropriation level.

MISSOURI RESEARCH AND EDUCATION NETWORK (MOREnet)

MOREnet operates a shared network infrastructure for elementary and secondary education, higher education, public libraries, state government, and community information networks. This shared network infrastructure includes connections to the Internet and a statewide backbone with hubs to connect each site. MOREnet integrates voice, video, and data transmissions, as well as handles the ever-increasing demand for network capacity to conduct research.

Fiscal Year 2011 Governor's Recommendations

- (\$4,188,653) core reduction from the Fiscal Year 2010 appropriation level, including (\$2,913,192) general revenue.

**DEPARTMENT OF HIGHER EDUCATION
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

UNIVERSITY HOSPITAL AND CLINICS

The University of Missouri-Columbia operates a teaching facility for medical, nursing, and other health care field students. In addition, the facility provides inpatient care, outpatient care, and specialized medical services to both area residents and persons referred from throughout the state. The hospital budget includes costs associated with providing patient care and maintenance of the facility. Instructional and research activity costs are included in the university's general operating budget. The university also operates the Ellis Fischel Cancer Center which provides comprehensive medical treatment, conducts clinical research, and offers education to both health professionals and Missourians at large.

Fiscal Year 2011 Governor's Recommendations

- (\$6,550,000) Federal Budget Stabilization Fund core reduction for one-time expenditures.
- (\$3,131,456) core reduction from the Fiscal Year 2010 appropriation level.

MISSOURI REHABILITATION CENTER

The Missouri Rehabilitation Center provides medical treatment for traumatic brain injury, comprehensive rehabilitation services, pulmonary/ventilator rehabilitation, tuberculosis treatment, terminal and acute care, and outpatient services.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI INSTITUTE OF MENTAL HEALTH

The Missouri Institute of Mental Health, operated by the School of Medicine of the University of Missouri at Columbia, is a mental health research and teaching institute that provides educational and staff support to the Department of Mental Health. The Institute researches the basic causes of mental illness and methods for improved patient care and operates training programs for mental health professionals.

Fiscal Year 2011 Governor's Recommendations

- (\$655,892) core reduction from the Fiscal Year 2010 appropriation level.

MISSOURI KIDNEY PROGRAM

The Missouri Kidney Program enables Missourians with end-stage renal disease to obtain treatment. The program contracts with federally approved dialysis centers and facilities and pays those costs of dialysis or kidney transplantation not paid by other sources such as Medicare, MO HealthNet, and private insurance. Patients' drugs, transportation expenses, and medical bills are paid by the program, along with the needed medical equipment and supply costs.

Fiscal Year 2011 Governor's Recommendations

- (\$564,765) core reduction from the Fiscal Year 2010 appropriation level, including (\$414,765) general revenue.

STATE HISTORICAL SOCIETY

The State Historical Society of Missouri is directed by statute to collect, preserve, publish, and make accessible those materials that pertain to the history of Missouri and western America. The staff conducts research projects, publishes the quarterly Missouri Historical Review, and produces other publications.

Fiscal Year 2011 Governor's Recommendations

- (\$230,000) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

SPINAL CORD INJURY RESEARCH

The program funds research that will advance knowledge concerning spinal cord injuries and congenital or acquired disease processes. Research awards are made by an advisory board to researchers in public or private educational, health care, and research institutions and other voluntary health associations. Funds for this research come from fees assessed to individuals who are convicted of intoxication-related offenses, as well as surcharges from all criminal cases including violations of any county ordinance or any violation of criminal or traffic laws of this state.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

STATE SEMINARY FUND INVESTMENTS AND INTEREST ON INVESTMENTS

The State Seminary Fund consists of the proceeds of the sale of land donated to the state, proceeds from a direct tax received from the United States, the James S. Rollins Scholarship Fund, and others. Income from the State Seminary Moneys Fund is given to the University of Missouri as required by Article IX, Section 6 of the Missouri Constitution, and by Section 172.610, RSMo.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF REVENUE

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Administration Division	\$ 18,400,904	\$ 20,927,914	\$ 13,650,911	\$ 13,383,279
Taxation Division	14,276,604	14,603,640	23,489,743	24,672,134
Motor Vehicle and Driver Licensing Division	2,219,785	2,301,617	2,032,041	2,032,041
Legal Services Division	2,263,510	2,611,621	2,452,998	2,452,998
Highway Collections	23,979,728	24,445,638	24,512,871	23,242,578
State Tax Commission	2,848,422	2,826,529	4,176,921	2,826,529
Distributions	221,390,856	228,097,097	228,782,574	217,810,057
State Lottery Commission	152,475,670	140,247,339	143,367,339	145,247,339
DEPARTMENTAL TOTAL	\$ 437,855,479	\$ 436,061,395 *	\$ 442,465,398	\$ 431,666,955
General Revenue Fund	84,233,523	81,169,861	84,467,344	74,437,839
Federal Budget Stabilization Fund	0	2,571,865	2,571,865	0
Federal Funds	3,674,829	6,669,721	6,865,545	6,865,546
Child Support Enforcement Fund	1,928,515	2,624,213	2,624,213	2,624,213
Health Initiatives Fund	52,356	59,087	59,268	59,087
Elderly Home-Delivered Meals Trust Fund	11,774	12,582	12,582	12,582
Petroleum Storage Tank Insurance Fund	25,410	27,654	27,654	27,654
Motor Vehicle Commission Fund	1,112,240	1,155,065	1,156,591	1,155,065
Conservation Commission Fund	553,253	557,159	557,206	557,159
Department of Revenue Information Fund	773,014	808,873	815,793	808,873
State Highways and Transportation				
Department Fund	11,585,767	12,117,273	11,899,295	11,830,895
Lottery Enterprise Fund	152,475,670	140,247,339	143,367,339	145,247,339
Petroleum Inspection Fund	35,204	35,497	35,497	35,497
Motor Fuel Tax Fund	181,390,104	188,000,000	188,000,000	188,000,000
Department of Revenue Specialty Plate Fund	3,820	5,206	5,206	5,206
Total Full-time Equivalent Employees	1,454.45	1,461.49	1,474.49	1,465.49
General Revenue Fund	999.81	1,011.20	1,019.20	1,015.20
Federal Funds	1.05	6.74	11.74	11.74
Other Funds	453.59	443.55	443.55	438.55

* Does not include \$3,485,217 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Revenue supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$431.7 million for the Department of Revenue. The department serves as the primary revenue collection agency for the State of Missouri. It strives to ensure that all taxes and fees owed to the state are paid, taxpayers are served conscientiously and efficiently, and revenues are collected at minimal administrative expense. The core functions provided by the Department of Revenue include:

- Preparing tax forms.
- Processing tax forms, returns, associated payments, and refunds.
- Titling and registering motor vehicles, boats, and trailers.
- Licensing drivers.
- Investigating instances of suspected tax or fee avoidance.

**DEPARTMENT OF REVENUE
ADMINISTRATION DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration Division	\$ 14,264,720	\$ 18,213,398	\$ 10,668,763
Postage	3,397,078	2,714,516	2,714,516
Mail Center Consolidation	739,106	0	0
TOTAL	\$ 18,400,904	\$ 20,927,914	\$ 13,383,279
PERSONAL SERVICE			
General Revenue Fund	8,678,408	8,564,225	1,597,362
Federal Funds	23,688	50,758	50,758
Other Funds	115,718	24,372	24,372
EXPENSE AND EQUIPMENT			
General Revenue Fund	4,006,840	3,348,923	2,771,151
Federal Funds	3,308,329	5,970,006	5,970,006
Other Funds	2,265,340	2,964,630	2,969,630
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	2,581	5,000	0
TOTAL			
General Revenue Fund	12,685,248	11,913,148	4,368,513
Federal Funds	3,332,017	6,020,764	6,020,764
Other Funds	2,383,639	2,994,002	2,994,002
Total Full-time Equivalent Employees	205.45	181.29	49.80
General Revenue Fund	200.80	178.67	47.18
Federal Funds	0.71	1.74	1.74
Other Funds	3.94	0.88	0.88

The Administration Division provides service and administrative support to the department in the areas of accounting, cash management, procurement, mail operations, central supply inventory, receiving, warehousing, archival, delivery, motor pool, facility services, personnel, form development, and training. The Internal Compliance Bureau reviews and evaluates the department's accounting controls and appraises the effectiveness and efficiency of the use of department resources.

Fiscal Year 2011 Governor's Recommendations

- \$489,909 and 11.01 staff reallocated from various divisions for department reorganization.
- (\$7,888,835) and (137.5) staff reallocated to the Taxation Division for department reorganization.
- (\$145,709) and (two) staff reallocated to the Taxation Division for debt collection.
- (Three) staff reallocated to the Legal Services Division.

**DEPARTMENT OF REVENUE
TAXATION DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Taxation Division			
TOTAL	\$ 14,276,604	\$ 14,603,640	\$ 24,672,134
PERSONAL SERVICE			
General Revenue Fund	11,711,211	12,181,583	20,625,189
Other Funds	651,329	660,444	660,444
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,893,727	1,736,794	3,361,682
Other Funds	20,337	24,819	24,819
TOTAL			
General Revenue Fund	13,604,938	13,918,377	23,986,871
Other Funds	671,666	685,263	685,263
Total Full-time Equivalent Employees	463.63	465.10	641.60
General Revenue Fund	438.17	440.18	616.68
Other Funds	25.46	24.92	24.92

The Taxation Division administers and enforces taxation and collection laws. The division deposits all tax revenue, issues refunds, and collects and distributes local taxes. The division's collection activities include account management, lien filing, delinquent tax collections (including identification of non-compliant businesses and individuals), tax clearances, and debt offsets. The division has seven in-state field offices (St. Louis, Kansas City, Springfield, Jefferson City, Joplin, St. Joseph, and Cape Girardeau) that audit businesses required to pay taxes to the State of Missouri and handle taxpayer assistance inquiries. The division's auditors are also stationed in four out-of-state offices (Chicago, Dallas, Atlanta, and New York) to foster compliance with Missouri tax laws.

Fiscal Year 2011 Governor's Recommendations

- \$753,741 to replace a remittance tax processor.
- \$51,263 and two staff to implement House Bill 191 (2009) that requires the Department of Revenue to administer, collect, and enforce the sales taxes related to Transportation Development Districts.
- \$8,081,099 and 140.5 staff reallocated from various divisions for department reorganization.
- \$1,182,391 and 34 staff reallocated from various divisions for debt collection.

**DEPARTMENT OF REVENUE
MOTOR VEHICLE AND DRIVER LICENSING DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Motor Vehicle and Driver Licensing Division			
TOTAL	\$ 2,219,785	\$ 2,301,617	\$ 2,032,041
PERSONAL SERVICE			
General Revenue Fund	391,559	445,823	196,394
Federal Funds	10,242	199,141	199,141
Other Funds	512,753	566,495	566,495
EXPENSE AND EQUIPMENT			
General Revenue Fund	446,218	162,824	142,677
Federal Funds	289,664	379,816	379,816
Other Funds	569,349	547,518	547,518
TOTAL			
General Revenue Fund	837,777	608,647	339,071
Federal Funds	299,906	578,957	578,957
Other Funds	1,082,102	1,114,013	1,114,013
Total Full-time Equivalent Employees	35.59	41.05	36.05
General Revenue Fund	14.94	15.05	10.05
Federal Funds	0.34	5.00	5.00
Other Funds	20.31	21.00	21.00

The Motor Vehicle and Driver Licensing Division administers Missouri statutes that relate to the licensing of drivers and the titling and registration of motor vehicles, all-terrain vehicles, trailers, manufactured homes, and marine-craft. The division also directs the operations of the contract license offices throughout the state and awards the offices through a competitive bid process.

Fiscal Year 2011 Governor's Recommendations

- \$58,150 and two staff to provide non-confidential records to the public.
- (\$327,726) and (seven) staff reallocated to various divisions for department reorganization.

**DEPARTMENT OF REVENUE
LEGAL SERVICES DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Legal Services Division			
TOTAL	\$ 2,263,510	\$ 2,611,621	\$ 2,452,998
PERSONAL SERVICE			
General Revenue Fund	1,614,556	1,875,757	1,543,340
Federal Funds	0	0	195,824
Other Funds	455,606	455,981	455,981
EXPENSE AND EQUIPMENT			
General Revenue Fund	149,631	173,806	151,776
Federal Funds	42,906	70,000	70,000
Other Funds	811	36,077	36,077
TOTAL			
General Revenue Fund	1,764,187	2,049,563	1,695,116
Federal Funds	42,906	70,000	265,824
Other Funds	456,417	492,058	492,058
Total Full-time Equivalent Employees	52.23	53.16	54.15
General Revenue Fund	40.99	42.16	38.15
Federal Funds	0.00	0.00	5.00
Other Funds	11.24	11.00	11.00

The General Counsel's Office advises the director on legal matters and represents the director in legal proceedings. The Criminal Investigation Bureau investigates suspected tax, motor vehicle, dealer, and driver license fraud, and prepares cases for prosecution.

Fiscal Year 2011 Governor's Recommendations

- \$195,824 federal funds and five staff to handle license suspension, revocation, and denial appeal cases.
- (\$354,447) and (7.01) staff reallocated to the Administration Division for department reorganization.
- Three staff reallocated from the Administration Division.

**DEPARTMENT OF REVENUE
HIGHWAY COLLECTIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Highway Collections - Taxation Division	\$ 1,585,519	\$ 1,933,617	\$ 1,885,265
Highway Collections - Motor Vehicle and Driver Licensing Division	15,738,553	15,397,515	13,706,465
Highway Collections - Legal Services Division	2,478,963	2,667,082	2,184,126
Highway Collections - Attorney Fees	0	5,000	5,000
Highway Collections - Postage	3,165,541	3,052,850	2,766,472
Highway Collections - Administration Division	1,011,152	1,389,574	2,695,250
TOTAL	\$ 23,979,728	\$ 24,445,638	\$ 23,242,578
PERSONAL SERVICE			
General Revenue Fund	8,066,966	8,974,473	8,170,733
Other Funds	6,391,518	6,773,445	6,773,445
EXPENSE AND EQUIPMENT			
General Revenue Fund	4,425,233	3,353,892	3,240,950
Other Funds	5,096,011	5,343,828	5,057,450
TOTAL			
General Revenue Fund	12,492,199	12,328,365	11,411,683
Other Funds	11,487,529	12,117,273	11,830,895
Total Full-time Equivalent Employees	471.10	502.39	470.39
General Revenue Fund	247.65	280.14	248.14
Other Funds	223.45	222.25	222.25

Missouri Constitution Article, IV, Sections 30(a), 30(b), and 30(c) requires all revenues from the existing motor vehicle fuel tax, vehicle taxes and fees paid by highway users (less collection costs of three percent of the amount collected) be used for state and local highways, roads and bridges, and for constructing and maintaining the state highway system. The Department of Revenue collects and remits these revenues to the State Highways and Transportation Department Fund. Highway Collections functions are distributed between the Taxation, Motor Vehicle and Driver Licensing, Administration, and Legal Services Divisions.

Fiscal Year 2011 Governor's Recommendations

- \$120,000 for increased license plate costs.
- (\$1,036,682) and (32) staff reallocated to the Taxation Division for debt collection.
- (\$286,378) State Highways and Transportation Department Fund core reduction for one-time expenditures.

**DEPARTMENT OF REVENUE
STATE TAX COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Tax Commission TOTAL	\$ 2,848,422	\$ 2,826,529	\$ 2,826,529
PERSONAL SERVICE	2,606,992	2,582,202	2,582,202
EXPENSE AND EQUIPMENT	241,430	244,327	244,327
TOTAL			
General Revenue Fund	2,848,422	2,826,529	2,826,529
Total Full-time Equivalent Employees	57.26	55.00	55.00
General Revenue Fund	57.26	55.00	55.00

The State Tax Commission is a quasi-judicial administrative agency created by the Missouri Constitution to perform six basic functions. These functions are: equalize inter- and intra-county assessments; conduct de novo judicial hearings regarding valuation and classification appeals from local boards of equalization; formulate and implement statewide assessment policy and procedures to comport with statutory and constitutional mandates; supervise local assessing officials and local assessment programs to ensure compliance with statewide requirements; conduct ratio studies to determine the assessment level in each county and to measure the quality of the assessments; and assess the distributable property of railroads and public utilities.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF REVENUE
DISTRIBUTIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Prosecuting Attorneys and Collection Agencies Fees	\$ 3,927,797	\$ 2,009,425	\$ 2,009,425
County Filing Fees	186,110	225,000	225,000
State Share of Assessment Maintenance Costs	18,756,070	19,020,668	12,480,296
Motor Fuel Tax Distribution to Cities and Counties	181,390,104	188,000,000	188,000,000
Emblem Use Fee Distribution	300	1,000	1,000
County Stock Insurance Tax	1,507,687	500,000	500,000
Homestead Preservation Tax Credit	90,612	2,571,865	810,000
Debt Offset For Tax Credits Transfer	238,494	200,000	200,000
Debt Offset Transfer	12,226,862	11,292,384	11,292,384
Circuit Courts Escrow Transfer	1,506,894	505,500	505,500
Income Tax Check-Off Refund Designations	368,038	396,000	396,000
General Revenue Reimbursement to State			
Highway and Transportation Fund	1,110,268	0	0
Downtown Revitalization Preservation Transfer	0	134,805	150,000
State Supplemental Downtown Development Transfer	81,620	3,240,450	1,240,450
MOSIRA Transfer	0	0	1
Federal Programs	0	0	1
TOTAL	\$ 221,390,856	\$ 228,097,097	\$ 217,810,057
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,418,862	500,000	500,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	38,581,890	37,025,232	29,310,056
Federal Funds	0	2,571,865	1
Other Funds	181,390,104	188,000,000	188,000,000
TOTAL			
General Revenue Fund	40,000,752	37,525,232	29,810,056
Federal Funds	0	2,571,865	1
Other Funds	181,390,104	188,000,000	188,000,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

PROSECUTING ATTORNEYS AND COLLECTION AGENCIES FEES

Section 136.150, RSMo, provides for payment of a collection fee of 20 percent of delinquent taxes, licenses, or fees recovered on behalf of the state by circuit or prosecuting attorneys. The collection fee is deposited in the county treasury with one-half of the fee for use by the attorney's office and one-half to be expended as the county determines.

Section 140.850, RSMo, authorizes the Department of Revenue to use private attorneys or professional collection agencies to collect delinquent taxes owed by resident and non-resident taxpayers (individuals and businesses). The statute permits a collection fee not to exceed 25 percent of the amount collected.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

COUNTY FILING FEES

The Department of Revenue is authorized to file tax liens on property owned by taxpayers who are delinquent in income tax or sales/use tax. Under Section 144.380.4, RSMo, county recorders may charge the department a fee of \$3.00 per tax lien for filing and \$1.50 per release of a filed tax lien. The department collects these fees from the delinquent taxpayers.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF REVENUE DISTRIBUTIONS

STATE SHARE OF ASSESSMENT MAINTENANCE COSTS

The state reimburses a portion of the costs and expenses for maintaining assessments by the county assessors and the St. Louis City assessor.

Fiscal Year 2011 Governor's Recommendations

- (\$6,540,372) core reduction from the Fiscal Year 2010 appropriation level.

MOTOR FUEL TAX DISTRIBUTION TO CITIES AND COUNTIES

Missouri Constitution Article IV, Section 30(a)(2) requires 15 percent of the net proceeds from the Motor Fuel Tax collections be allocated to the incorporated cities, towns, and villages of the state to assist in the maintenance of streets and highways.

Missouri Constitution Article IV, Section 30(a)(1) requires that 10 percent of the net proceeds from Motor Fuel Tax collections be distributed to the counties to assist in the maintenance of county roads, highways, and bridges. In addition, Missouri Constitution Article IV, Section 30(a)(2) requires that 15 percent of the net proceeds resulting from any increase in the Motor Fuel Tax rate over the rate in effect on March 31, 1992, be distributed to the counties to assist in the maintenance of county roads, highways, and bridges.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

EMBLEM USE FEE DISTRIBUTION

Under Section 301.3141, RSMo, contributions to the "Veterans of Foreign Wars Department of Missouri" may be used to apply for a specialty license plate. The contributions can be made to the Department of Revenue, which then remits them to the Veterans of Foreign Wars Department of Missouri.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

COUNTY STOCK INSURANCE TAX

The Department of Revenue uses this appropriation to meet the apportionment requirements for the County Stock Insurance Tax required by Section 148.330, RSMo, while holding school districts and counties harmless to reductions from premium tax credits provided to insurance companies.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

HOMESTEAD PRESERVATION TAX CREDIT

Section 137.106, RSMo, the Homestead Preservation Act, enables qualified senior citizens and disabled persons to obtain a credit against their property taxes for an increase to their taxes that exceeds statutory thresholds. This appropriation provides funds to be distributed to county governments to offset property taxes of qualified applicants.

Fiscal Year 2011 Governor's Recommendations

- \$810,000 to replace federal budget stabilization funds.
- (\$2,571,865) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF REVENUE DISTRIBUTIONS

DEBT OFFSET FOR TAX CREDITS TRANSFER

Section 135.815, RSMo, requires that tax credit applicants must first use any award to pay off any delinquent income, sales, use, or insurance taxes. After applying all credits toward any delinquencies, the applicant can be issued any remaining credits. The Department of Revenue uses this appropriation to satisfy delinquencies.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEBT OFFSET TRANSFER

Chapter 143, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Treasurer the amount of the debt certified to be owed to a state agency in an amount not exceeding the tax refund claimed. Any amount in excess of the debt is forwarded to the taxpayer. Upon settlement of the claim through the established administrative hearings process, the escrow funds are returned to the state agency and/or the payee.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

CIRCUIT COURTS ESCROW TRANSFER

Section 143.784, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Courts Administrator (OSCA) any amounts certified to be owed to the courts, in an amount not exceeding the tax refund claimed. Upon settlement of the claim, the escrow funds are returned to OSCA.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

INCOME TAX CHECK-OFF REFUND DESIGNATIONS

State statutes permit individuals and corporations to contribute a portion of any income tax refund that they are owed to numerous separate state trust funds and separate charitable trust funds. The amounts designated by taxpayers for distribution to the various trust funds are transferred from the General Revenue Fund.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DOWNTOWN REVITALIZATION PRESERVATION TRANSFER

Section 99.1092, RSMo, requires the department to annually transfer the first \$15,000,000 of other net new revenues generated by redevelopment projects to the Downtown Revitalization Preservation Fund.

Fiscal Year 2011 Governor's Recommendations

- \$15,195 transferred to the Downtown Revitalization Preservation Fund.

STATE SUPPLEMENTAL DOWNTOWN DEVELOPMENT TRANSFER

Section 99.963, RSMo, requires the department to annually transfer the first \$150,000,000 of other net new revenues generated by development projects to the State Supplemental Downtown Development Fund.

Fiscal Year 2011 Governor's Recommendations

- (\$2,000,000) core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF REVENUE DISTRIBUTIONS

MISSOURI SCIENCE INNOVATION REINVESTMENT ACT

The Missouri Science Innovation Reinvestment Act (MOSIRA) creates a funding mechanism that captures a percentage of the growth in gross wages over a base year from a group of science and innovation companies in Missouri which would be used for capital needs of start-up and small businesses.

Fiscal Year 2011 Governor's Recommendations

- \$1 on an open-ended basis to transfer to the Department of Economic Development for the Missouri Science and Innovation Reinvestment Act.

FEDERAL PROGRAMS

For the receipt and expenditure of federal resources as available.

Fiscal Year 2011 Governor's Recommendations

- \$1 federal funds on an open-ended basis to allow the department access and use of any federal grants.

**DEPARTMENT OF REVENUE
STATE LOTTERY COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Lottery Commission - Operating	\$ 37,168,900	\$ 38,247,339	\$ 43,247,339
Lottery Commission - Prizes	<u>115,306,770</u>	<u>102,000,000</u>	<u>102,000,000</u>
TOTAL	\$ 152,475,670	\$ 140,247,339	\$ 145,247,339
PERSONAL SERVICE	6,930,755	6,993,837	6,993,837
EXPENSE AND EQUIPMENT	145,542,058	133,243,502	138,243,502
PROGRAM SPECIFIC DISTRIBUTION	2,857	10,000	10,000
TOTAL			
Lottery Enterprise Fund	152,475,670	140,247,339	145,247,339
Total Full-time Equivalent Employees	169.19	163.50	158.50
Other Funds	169.19	163.50	158.50

Missouri Constitution Article III, Section 39(b) establishes the Missouri State Lottery to perform six core functions. These functions are: recruit and license Lottery retailers; create, market, and distribute Lottery products; collect revenue from Lottery retailers; pay Lottery prizes and retailer commissions; ensure the security and integrity of Lottery operations and games; and transfer profits monthly to the Lottery Proceeds Fund.

Fiscal Year 2011 Governor's Recommendations

- \$5,000,000 Lottery Enterprise Fund for the support of the Lottery.
- (Five) staff core reduction from the Lottery Enterprise Fund from the Fiscal Year 2010 appropriation level.

LOTTERY ENTERPRISE FUND TRANSFER

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Lottery Enterprise Fund	\$ 259,006,284	\$ 260,000,000	\$ 250,000,000

Section 39(b) of Article III of the Missouri Constitution provides for the transfer of net proceeds to the Lottery Proceeds Fund to fund public institutions of elementary, secondary, and higher education.

Fiscal Year 2011 Governor's Recommendations

- (\$10,000,000) Lottery Enterprise Fund core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF TRANSPORTATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Highway Administration	\$ 26,148,016	\$ 27,099,066	\$ 27,099,066	\$ 27,099,066
Fringe Benefits	145,252,089	154,039,211	185,091,336	185,091,336
Fleet, Facilities, and Information Systems	95,692,108	105,630,344	102,707,477	102,707,477
System Management	403,546,567	394,486,239	392,151,712	392,151,712
Highway Construction	1,681,026,166	1,513,577,619	1,847,843,951	1,847,843,951
Mississippi River Parkway	15,714	0	0	0
Multimodal Operations and Programs	78,370,911	71,380,414	70,246,615	69,848,572
DEPARTMENTAL TOTAL	\$ 2,430,051,571	\$ 2,266,212,893	\$ 2,625,140,157	\$ 2,624,742,114
General Revenue Fund	12,511,456	8,292,923	8,292,923	13,394,880
Federal Budget Stabilization Fund	0	5,500,000	5,500,000	0
Federal Funds	75,460,687	75,123,802	75,181,950	75,181,950
Motorcycle Safety Trust Fund	378,890	425,000	425,000	425,000
Grade Crossing Safety Account	2,408,872	1,500,000	1,500,000	1,500,000
State Road Bond Fund	87,422,406	123,101,000	95,987,000	95,987,000
State Road Fund	2,239,914,495	2,038,604,880	2,425,501,596	2,425,501,596
Railroad Expense Fund	621,329	894,261	921,164	921,164
State Transportation Fund	3,094,312	3,430,450	2,469,466	2,469,466
Light Rail Safety Fund	0	1	1	1
State Transportation Assistance				
Revolving Fund	975,000	550,000	550,000	550,000
Aviation Trust Fund	7,264,124	8,790,576	8,811,057	8,811,057
Total Full-time Equivalent Employees	6,660.11	6,616.68	6,616.68	6,616.68
General Revenue Fund	1.73	0.00	0.00	0.00
Federal Funds	14.87	17.98	17.98	17.98
Other Funds	6,643.51	6,598.70	6,598.70	6,598.70

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$2.6 billion for the Department of Transportation. This includes an increase of more than \$478 million in available highway construction funds as a result of bonds issued in Fiscal Year 2010. In addition, the department intends to issue bonds to fund more than \$153 million in additional road and bridge projects.

The department is responsible for overseeing all aspects of Missouri's transportation system. The core functions of the Department of Transportation include:

- Constructing and maintaining the state road and bridge system – a key component of state safety and economic development efforts.
- Encouraging safety on Missouri highways for citizens and Department of Transportation employees.
- Providing capital improvement and operating assistance grants for rural and urban transit systems, public airports, ferry boats, and passenger rail service.
- Registering commercial motor vehicles.

**DEPARTMENT OF TRANSPORTATION
HIGHWAY ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration			
TOTAL	\$ 26,148,016	\$ 27,099,066	\$ 27,099,066
PERSONAL SERVICE	21,540,058	21,809,803	21,809,803
EXPENSE AND EQUIPMENT	4,476,637	5,273,534	5,273,534
PROGRAM SPECIFIC DISTRIBUTION	131,321	15,729	15,729
TOTAL			
Other Funds	26,148,016	27,099,066	27,099,066
Total Full-time Equivalent Employees	434.42	439.57	439.57
Other Funds	434.42	439.57	439.57

This area supports the operations of the Highways and Transportation Commission, as well as the centralized functions of the department such as auditing, accounting, risk management, financial planning, governmental relations, community relations, and human resource management.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF TRANSPORTATION
FRINGE BENEFITS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Highway Administration	\$ 21,149,985	\$ 24,578,222	\$ 26,696,803
Highway Construction	37,782,632	37,228,699	50,511,830
Maintenance	75,777,837	81,710,020	96,810,296
Motor Assistance	1,040,643	1,128,500	0
Fleet, Facilities, and Information Systems	7,554,932	8,444,178	9,996,634
Multimodal Operations and Programs	680,860	949,592	1,075,773
Motor Carrier	1,265,200	0	0
TOTAL	\$ 145,252,089	\$ 154,039,211	\$ 185,091,336
PERSONAL SERVICE			
Federal Funds	263,607	420,852	472,843
Other Funds	127,930,926	133,742,908	163,209,368
EXPENSE AND EQUIPMENT			
Federal Funds	410	1,765	2,923
Other Funds	17,057,146	19,873,686	21,406,202
TOTAL			
Federal Funds	264,017	422,617	475,766
Other Funds	144,988,072	153,616,594	184,615,570
Total Full-time Equivalent Employees	0.00	0.00	0.00

These appropriations are for the continuation of fringe benefits for Department of Transportation employees. The fringe benefits include retirement and long term disability (LTD) contributions, medical and life insurance, retirees' medical insurance, dental insurance, workers' compensation, and the employee assistance program (EAP).

Fiscal Year 2011 Governor's Recommendations

- \$31,052,125 federal and other funds for increased fringe benefit costs.

**DEPARTMENT OF TRANSPORTATION
FLEET, FACILITIES, AND INFORMATION SYSTEMS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Fleet, Facilities, and Information Systems TOTAL	\$ 95,692,108	\$ 105,630,344	\$ 102,707,477
PERSONAL SERVICE	16,479,771	16,531,179	16,531,179
EXPENSE AND EQUIPMENT	69,385,585	88,093,787	85,170,920
PROGRAM SPECIFIC DISTRIBUTION	9,826,752	1,005,378	1,005,378
TOTAL			
Other Funds	95,692,108	105,630,344	102,707,477
Total Full-time Equivalent Employees	371.07	375.25	375.25
Other Funds	371.07	375.25	375.25

This program area supports the General Services and Information Systems divisions. The General Services Division provides fleet and facilities management, procurement, and other services to the department. The Information Systems Division delivers information technology solutions, services, and support through a planned approach consistent with the department's mission, values, and tangible results.

Fiscal Year 2011 Governor's Recommendations

- (\$2,922,867) State Road Fund core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF TRANSPORTATION
SYSTEM MANAGEMENT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Maintenance	\$ 371,817,176	\$ 357,475,712	\$ 357,651,712
Highway Safety Grants	22,233,622	30,000,000	30,000,000
Motor Carrier Safety Assistance	1,226,107	2,000,000	2,000,000
Motorist Assistance	2,501,669	2,510,527	0
Motor Carrier Services	5,136,974	0	0
Safe Routes to School	560,891	2,500,000	2,500,000
Blood Alcohol Program	70,128	0	0
TOTAL	\$ 403,546,567	\$ 394,486,239	\$ 392,151,712
PERSONAL SERVICE			
General Revenue Fund	57,013	0	0
Federal Funds	322,536	356,502	356,502
Other Funds	150,615,203	152,569,712	150,547,835
EXPENSE AND EQUIPMENT			
General Revenue Fund	13,115	0	0
Federal Funds	2,211,103	1,092,355	1,092,355
Other Funds	226,038,872	207,510,538	205,157,098
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	21,303,598	30,962,645	30,962,645
Other Funds	2,985,127	1,994,487	4,035,277
TOTAL			
General Revenue Fund	70,128	0	0
Federal Funds	23,837,237	32,411,502	32,411,502
Other Funds	379,639,202	362,074,737	359,740,210
Total Full-time Equivalent Employees	4,090.10	4,011.93	3,958.93
General Revenue Fund	1.73	0.00	0.00
Federal Funds	7.09	8.30	8.30
Other Funds	4,081.28	4,003.63	3,950.63

This program area supports highway safety initiatives and the cost of operating and maintaining the state road system, welcome centers and rest areas, and weigh stations. Examples include: road and shoulder repair, bridge repair and painting, snow and ice removal, traffic signal and sign maintenance, pavement marking, and right-of-way mowing.

Fiscal Year 2011 Governor's Recommendations

- \$176,000 reallocated State Road Fund from State Aid to Port Authorities.
- (\$2,510,527) State Road Fund and (53) staff reallocated to Highway Construction.

**DEPARTMENT OF TRANSPORTATION
HIGHWAY CONSTRUCTION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Construction	\$ 1,665,578,066	\$ 1,513,577,619	\$ 1,847,843,951
Transportation Enhancements	15,448,100	0	0
TOTAL	\$ 1,681,026,166	\$ 1,513,577,619	\$ 1,847,843,951
PERSONAL SERVICE	84,287,826	80,067,491	82,089,368
EXPENSE AND EQUIPMENT	1,269,911,698	1,140,836,446	1,412,978,901
PROGRAM SPECIFIC DISTRIBUTION	326,826,642	292,673,682	352,775,682
TOTAL			
Other Funds	1,681,026,166	1,513,577,619	1,847,843,951
Total Full-time Equivalent Employees	1,729.74	1,753.26	1,806.26
Other Funds	1,729.74	1,753.26	1,806.26

This program area supports the state road construction program and such activities as land acquisition, contractor payments for road and bridge construction, debt service on outstanding bonds, and transportation enhancement activities.

Fiscal Year 2011 Governor's Recommendations

- \$478,522,805 State Road Fund for expansion of the Construction Program as a result of additional bond issuances.
- \$153,131,000 State Road Fund-Series 2008 to utilize bond proceeds for road and bridge projects.
- \$87,216,000 State Road Fund for debt service on outstanding road bonds.
- \$2,510,527 State Road Fund and 53 staff reallocated from System Management.
- (\$387,114,000) other funds core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF TRANSPORTATION
MISSISSIPPI RIVER PARKWAY COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Mississippi River Parkway Commission TOTAL	\$ 15,714	\$ 0	\$ 0
PROGRAM SPECIFIC DISTRIBUTION General Revenue Fund	15,714	0	0
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Mississippi River Parkway Commission (MRPC) is a local component of the national MRPC established by Congress in the Federal Aid Highway Act of 1954. The MRPC's primary function is to promote the Great River Road extending along the Mississippi River from the Trans-Canadian Highway to the Gulf of Mexico. Signs along the highway identify lakes, streams, bridges, historical sites, unusual or beautiful land formations, and legendary areas.

Fiscal Year 2011 Governor's Recommendations

Eliminated in the Fiscal Year 2010 cycle.

**DEPARTMENT OF TRANSPORTATION
MULTIMODAL OPERATIONS AND PROGRAMS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Multimodal Operations	\$ 7,331,098	\$ 7,514,084	\$ 7,273,622
Transit Programs			
Capital Assistance for Transportation of Elderly and Disabled Citizens	5,877,806	2,586,400	2,586,400
New Freedom Transit Program	87,867	600,000	600,000
State Aid for Transportation of Elderly, Disabled, and Low-Income Citizens	3,187,822	3,443,732	2,468,607
Small Urbanized Transit Assistance	0	1	0
Small Urban and Rural Transportation Program	13,121,289	9,540,000	9,540,000
Job Access and Reverse Commute Transit Grants	572,871	1,200,000	1,200,000
Public Transit Capital Grants	5,118,508	8,480,000	8,480,000
Transit Planning Grants	5,426,470	6,365,194	6,365,194
Railroad Programs			
Local Rail Freight Assistance Program	0	1	0
State Passenger Rail Assistance and Station Improvements	7,981,347	9,025,000	9,025,000
Rail Equipment	0	1	1
Light Rail Safety	0	1	1
Railroad Grade Crossing Safety	2,408,872	1,500,000	1,500,000
Aviation Programs			
State Aid for Airports/Federal Aviation Assistance	26,646,961	20,500,000	20,500,000
Waterways Programs			
State Aid to Port Authorities	610,000	626,000	309,747
TOTAL	\$ 78,370,911	\$ 71,380,414	\$ 69,848,572
PERSONAL SERVICE			
Federal Funds	388,790	539,586	539,586
Other Funds	1,392,362	1,497,319	1,497,319
EXPENSE AND EQUIPMENT			
Federal Funds	153,949	400,000	400,000
Other Funds	526,809	373,955	373,955
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	12,425,614	8,292,923	13,394,880
Federal Funds	50,816,694	46,850,097	41,355,096
Other Funds	12,666,693	13,426,534	12,287,736
TOTAL			
General Revenue Fund	12,425,614	8,292,923	13,394,880
Federal Funds	51,359,433	47,789,683	42,294,682
Other Funds	14,585,864	15,297,808	14,159,010
Total Full-time Equivalent Employees	34.78	36.67	36.67
Federal Funds	7.78	9.68	9.68
Other Funds	27.00	26.99	26.99

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS AND PROGRAMS

MULTIMODAL OPERATIONS

This program area supports non-highway programs, including aviation, transit, rail, waterways, and freight development. The transit section provides financial and technical assistance to public transit and specialized transit providers across the state. This function is carried out through the administration of state and federal programs related to general public transportation, as well as specific transit programs for agencies serving senior citizens and/or persons with disabilities.

The rail section is responsible for regulating and improving freight rail services, passenger rail service, rail safety outreach, light rail safety oversight, rail/highway construction, and railroad/highway grade crossing safety. The rail division also prepares and implements a state rail plan and administers state and federal funds to increase safety at railroad crossings.

The aviation section oversees state and federal funding programs for airport maintenance and capital improvement projects. This section is also responsible for airport safety inspections, maintaining the state airport systems plan, and working with local governments to secure federal aviation funding.

The waterways section assists cities and counties in forming port authorities that foster local economic growth. This section also provides technical assistance and administers port capital improvement, administrative, and ferryboat operating assistance programs. The freight development section works to increase efficiencies and reduce bottlenecks in freight movement, improve connections between transportation modes, and expand freight logistics opportunities.

Fiscal Year 2011 Governor's Recommendations

- \$13,500 federal and other funds for Multimodal Transportation Support.
- \$1E Multimodal Operations Federal Fund for a new Multimodal Federal Program appropriation.
- (\$253,963) State Transportation Fund core reduction from the Fiscal Year 2010 appropriation level.

CAPITAL ASSISTANCE FOR TRANSPORTATION OF ELDERLY AND DISABLED CITIZENS

Federal funds authorized by Section 5310 provide assistance to local not-for-profit transportation providers and public entities serving the elderly and people with disabilities. These entities use the federal funds to match local funds for purchasing vehicles.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

NEW FREEDOM TRANSIT PROGRAM

Federal funds authorized by Section 5317 assist transit agencies in the rural as well as small urbanized areas and non-profit organizations in providing mobility services beyond those services required in the Americans with Disabilities Act (ADA). These federal funds can be used to offset up to 50 percent of operating losses and up to 80 percent of planning and capital expenses related to these services beyond ADA mobility services.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

STATE AID FOR TRANSPORTATION OF ELDERLY, DISABLED, AND LOW-INCOME CITIZENS

The Missouri Elderly and Handicapped Transportation Assistance Program provides operating assistance for not-for-profit transportation providers serving elderly and disabled Missourians. State funds are used to match local, private, and federal funds available to these providers.

Fiscal Year 2011 Governor's Recommendations

- (\$975,125) core reduction from the Fiscal Year 2010 appropriation level, including (\$398,043) general revenue.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS AND PROGRAMS

SMALL URBANIZED TRANSIT ASSISTANCE

Federal funds authorized by Section 5307 provide operating and capital assistance to public transportation systems in cities with populations between 50,000 and 200,000. These federal funds can be used to fund up to 50 percent of transit operating expenses and up to 80 percent of capital costs such as transit vehicle and equipment purchases.

Fiscal Year 2011 Governor's Recommendations

- (\$1) Multimodal Operations Federal Fund core reduction from the Fiscal Year 2010 appropriation level.

SMALL URBAN AND RURAL TRANSPORTATION PROGRAM

Federal funds authorized by Section 5311 are used to assist small urban and rural areas with a population less than 50,000. These federal grants can be used to fund up to 50 percent of transit operating expenses, and up to 80 percent of administrative, planning, and capital expenses such as vehicle and equipment purchases.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

JOB ACCESS AND REVERSE COMMUTE TRANSIT GRANTS

Federal funds authorized by Section 5316 assist transit agencies in providing additional services to address work-related transportation needs for welfare recipients and other low-income persons. These federal funds can be used to offset up to 50 percent of operating losses and up to 80 percent of planning and capital expenses.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

PUBLIC TRANSIT CAPITAL GRANTS

Federal funds authorized by Section 5309 provide financial assistance to rural and urban transit operators. These funds can be used to purchase buses and bus-related facilities and equipment.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

TRANSIT PLANNING GRANTS

Federal funds authorized by Section 5305 support metropolitan transportation planning activities in seven areas: St. Louis, Kansas City, Springfield, Columbia, St. Joseph, Joplin, and Jefferson City. This program provides demographic forecasting, corridor studies, transit service analysis, route and schedule evaluation, financial capacity analysis, special needs investigations, as well as traffic and transit management studies in those areas.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level

LOCAL RAIL FREIGHT ASSISTANCE PROGRAM

This program distributes federal financial assistance for rail facility acquisition, rehabilitation, improvement, or construction. Program activities are contingent upon the availability of federal funding through Section 5 of the Department of Transportation Act.

Fiscal Year 2011 Governor's Recommendations

- (\$1) Multimodal Operations Federal Fund core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS AND PROGRAMS

STATE PASSENGER RAIL ASSISTANCE AND STATION IMPROVEMENTS

Through the state Passenger Rail Assistance Program, Missourians are able to enjoy the benefits of rail service between Kansas City and St. Louis, with stops at various cities along the route. The state pays for the direct costs of running the twice-daily train route and provides small amounts of funding for station improvements to cities that own train stations.

Fiscal Year 2011 Governor's Recommendations

- \$5,500,000 to replace federal budget stabilization funds.
- (\$5,500,000) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

RAIL EQUIPMENT

As the federal government considers a nationwide system of high-speed rail transportation, federal funds may become available to states. Missouri participates as needed in the planning process for a future Midwest Rail High-Speed Network.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

LIGHT RAIL SAFETY

This program provides staff to oversee safety issues and investigate accidents involving the light rail system and to work with communities exploring the possibilities of implementing a light rail system. The light rail operator bears the cost of this program by reimbursing the state for its services.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

RAILROAD GRADE CROSSING SAFETY

This program provides state and federal funding to complete projects improving the safety of railroad grade crossings. The state funds come from a fee assessed on each motor vehicle at the time of motor vehicle licensing.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

STATE AID TO AIRPORTS/FEDERAL AVIATION ASSISTANCE

To meet acceptable safety performance standards, this program uses state and federal funds for airport capital improvement; maintenance of runways, taxiways, and aprons; and for emergency repairs on safety-related items. The state portion of these projects is funded from the Aviation Trust Fund, which receives the use tax collected on aviation fuel.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

STATE AID TO PORT AUTHORITIES

This program provides a limited amount of funding to local port authorities for administration, planning, and development activities. The active port authorities in Missouri are the Howard/Cooper County Regional Port Authority; Jefferson County Port Authority; Pemiscot County Port Authority; Southeast Missouri Regional Port Authority; Mississippi County Port Authority; New Madrid County Port Authority; New Bourbon Port Authority; St. Joseph Regional Port Authority; Lewis County-Canton Missouri Port Authority; Marion County Port Authority; Mid-America Port Commission; and the Ports of Kansas City, St. Louis, and St. Louis County.

Fiscal Year 2011 Governor's Recommendations

- (\$176,000) State Road Fund reallocated to System Management.
- (\$140,253) State Transportation Fund core reduction from the Fiscal Year 2010 appropriation level.

OFFICE OF ADMINISTRATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Commissioner's Office	\$ 1,402,338	\$ 1,322,777	\$ 1,922,777	\$ 1,915,177
Division of Accounting	2,304,675	2,243,050	2,243,050	2,217,184
Division of Budget and Planning	1,659,223	1,848,215	2,293,333	2,802,111
Information Technology Services Division	140,231,457	173,875,903	173,582,401	170,863,685
Division of Personnel	2,477,218	2,486,403	2,486,403	2,482,860
Division of Purchasing and Materials Management	3,286,405	3,676,059	3,676,059	3,669,195
Division of Facilities Management, Design and Construction	0	25,000	25,000	25,000
Division of General Services	21,242,345	10,800,059	7,686,059	7,670,159
Assigned Programs	5,336,014	6,339,210	6,379,107	6,326,656
Debt and Related Obligations	94,884,380	94,501,053	87,449,722	87,434,722
Administrative Disbursements	39,658,368	8,495,006	8,508,006	8,498,006
DEPARTMENTAL TOTAL	\$ 312,482,423	\$ 305,612,735 *	\$ 296,251,917	\$ 293,904,755
General Revenue Fund	187,345,669	163,643,426	155,985,168	157,213,787
Federal Funds	65,776,479	79,738,092	76,385,931	72,810,150
Other Funds	59,360,275	62,231,217	63,880,818	63,880,818

Total Full-time Equivalent Employees	1,972.86	2,033.32	2,041.82	2,234.32
General Revenue Fund	787.55	771.79	775.29	766.29
Federal Funds	300.03	343.72	343.72	342.22
Other Funds	885.28	917.81	922.81	1,125.81

* Does not include \$25,000 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the supplemental section of the Missouri Budget for details regarding the Office of Administration supplemental appropriations.

DEPARTMENT SUMMARY

During these challenging economic times the Office of Administration's role in assisting other agencies is even more critical. By focusing on initiatives to improve efficiency and reduce costs across all departments, the Office of Administration helps ensure a balanced budget is achieved, while maintaining critical services.

Governor Nixon's Fiscal Year 2011 budget provides \$293.9 million for the Office of Administration. The Office of Administration provides services for all state agencies and serves as the state's administrative office. The core functions provided by the Office of Administration include:

- Administering budget and accounting activities for the state.
- Administering the human resources system.
- Coordinating data processing and telecommunications for state agencies.
- Providing and maintaining office and other space for governmental operations.
- Procuring supplies, equipment, and services for state agencies.
- Managing the state transportation fleet.

**OFFICE OF ADMINISTRATION
COMMISSIONER'S OFFICE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Commissioner's Office	\$ 1,071,009	\$ 946,525	\$ 943,594
Office of Supplier and Workforce Diversity	298,208	342,090	939,300
Martin Luther King Jr Commission	33,121	34,161	32,282
Federal Grants	0	1	1
TOTAL	\$ 1,402,338	\$ 1,322,777	\$ 1,915,177
PERSONAL SERVICE			
General Revenue Fund	1,174,354	1,140,188	1,140,188
EXPENSE AND EQUIPMENT			
General Revenue Fund	227,984	182,588	774,988
Federal Funds	0	1	1
TOTAL			
General Revenue Fund	1,402,338	1,322,776	1,915,176
Federal Funds	0	1	1
Total Full-time Equivalent Employees	21.76	19.50	19.50
General Revenue Fund	21.76	19.50	19.50

The Commissioner directs the one agency that provides central services and support to all other agencies of state government. These services include accounting, budget and planning, information technology services, asset management, personnel, purchasing and materials management, and general services.

Fiscal Year 2011 Governor's Recommendations

- \$600,000 for a disparity study.
- (\$7,600) core reduction from the Fiscal Year 2010 appropriation level.

**OFFICE OF ADMINISTRATION
DIVISION OF ACCOUNTING**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Accounting TOTAL	\$ 2,304,675	\$ 2,243,050	\$ 2,217,184
PERSONAL SERVICE	2,173,646	2,102,126	2,083,349
EXPENSE AND EQUIPMENT	130,940	140,924	133,835
PROGRAM SPECIFIC DISTRIBUTION	89	0	0
TOTAL			
General Revenue Fund	2,304,675	2,243,050	2,217,184
Total Full-time Equivalent Employees	55.32	50.00	50.00
General Revenue Fund	55.32	50.00	50.00

The Division of Accounting maintains all financial records for state appropriations and funds, processes payments, controls production of warrants, and distributes checks. The division also issues warrants to the State Treasurer for expenditures; maintains computerized accounting, payroll, and check writing systems; and administers the Social Security Act for the state and political subdivisions. The division also provides financial data to executive and legislative officials.

Fiscal Year 2011 Governor's Recommendations

- (\$25,866) core reduction from the Fiscal Year 2010 appropriation level.

**OFFICE OF ADMINISTRATION
DIVISION OF BUDGET AND PLANNING**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Budget and Planning	\$ 1,644,223	\$ 1,665,562	\$ 1,648,079
Census 2010 Preparations	0	182,653	626,032
Tax Expenditure Budget	15,000	0	0
American Recovery and Reinvestment Act (ARRA) Audit	0	0	528,000
TOTAL	\$ 1,659,223	\$ 1,848,215	\$ 2,802,111
PERSONAL SERVICE			
General Revenue Fund	1,568,793	1,576,123	1,790,243
Federal Funds	0	30,396	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	90,430	89,439	483,868
Federal Funds	0	152,257	528,000
TOTAL			
General Revenue Fund	1,659,223	1,665,562	2,274,111
Federal Funds	0	182,653	528,000
Total Full-time Equivalent Employees	27.84	26.50	30.00
General Revenue Fund	27.84	26.00	30.00
Federal Funds	0.00	0.50	0.00

The Division of Budget and Planning analyzes state government programs and provides recommendations and information to the Governor, General Assembly, and state agencies regarding fiscal and other policies. The division prepares the budget instructions, reviews agency budget requests, prepares the annual executive budget, analyzes economic and demographic conditions, forecasts state revenues, and conducts technical policy and program analysis. To assist in state government management, the division controls appropriation allotments, manages the automated state budget system, prepares legislative fiscal notes, analyzes and develops policy options, and reviews federal issues and their impact on Missouri. The division prepares population estimates and projections required by state and local agencies and is Missouri's liaison to the United States Bureau of the Census.

Fiscal Year 2011 Governor's Recommendations

- \$626,032 and four staff for reapportionment and census activities.
- \$528,000 Federal Budget Stabilization Fund for contracted auditors for ARRA funds.
- (\$130,521) Federal Budget Stabilization Fund reduction for one-time expenditures.
- (\$69,615) and (.5) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$17,483) general revenue.

**OFFICE OF ADMINISTRATION
INFORMATION TECHNOLOGY SERVICES DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Information Technology Services Division			
TOTAL	\$ 140,231,457	\$ 173,875,903	\$ 170,863,685
PERSONAL SERVICE			
General Revenue Fund	25,626,207	25,254,706	25,136,041
Federal Funds	11,497,114	13,801,549	13,836,627
Other Funds	6,856,110	8,668,374	8,720,992
EXPENSE AND EQUIPMENT			
General Revenue Fund	31,128,898	19,808,247	21,973,196
Federal Funds	43,662,634	58,925,143	54,782,425
Other Funds	20,797,002	47,154,748	46,151,268
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	9,386	9,386
Federal Funds	612,705	245,100	245,100
Other Funds	50,787	8,650	8,650
TOTAL			
General Revenue Fund	56,755,105	45,072,339	47,118,623
Federal Funds	55,772,453	72,971,792	68,864,152
Other Funds	27,703,899	55,831,772	54,880,910
Total Full-time Equivalent Employees	1,092.09	1,165.85	1,155.85
General Revenue Fund	529.91	523.14	513.14
Federal Funds	298.49	340.90	340.90
Other Funds	263.69	301.81	301.81

The Information Technology Services Division (ITSD) provides mainframe computer processing services to all state agencies through the consolidated State Data Center. The division manages the state's telecommunication services, as well as internet services, information technology education services, and network support.

Fiscal Year 2011 Governor's Recommendations

- \$2,989,135 to replace federal budget stabilization funds.
- \$1,430 Missouri Wine and Grape Fund transferred from the Department of Agriculture.
- (\$4,942,851) and (ten) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$942,851) general revenue.
- (\$1,059,932) federal and other funds reduction for one-time expenditures.

**OFFICE OF ADMINISTRATION
DIVISION OF PERSONNEL**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Personnel			
TOTAL	\$ 2,477,218	\$ 2,486,403	\$ 2,482,860
PERSONAL SERVICE	2,394,330	2,403,038	2,403,038
EXPENSE AND EQUIPMENT	82,888	83,365	79,822
TOTAL			
General Revenue Fund	2,477,218	2,486,403	2,482,860
Total Full-time Equivalent Employees	60.68	59.47	59.47
General Revenue Fund	59.10	57.47	57.47
Other Funds	1.58	2.00	2.00

The Division of Personnel provides central services to all executive branch departments in compliance with the State Personnel Law and the principles of sound human resource management. Responsibilities include operations of the Missouri Merit System, position classification and compensation management, supervisory and management training, coordination of labor relations, and providing management expertise and other services to assist agencies.

The Personnel Advisory Board sets rules and regulations for the Merit System, approves classifications and pay plans, conducts appeal hearings for applicants and employees, and advises the Division of Personnel and the Governor on human resource administration.

Fiscal Year 2011 Governor's Recommendations

- (\$3,543) core reduction from the Fiscal Year 2010 appropriation level.

**OFFICE OF ADMINISTRATION
DIVISION OF PURCHASING AND MATERIALS MANAGEMENT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Purchasing and Materials Management	\$ 1,632,027	\$ 1,750,394	\$ 1,743,530
Surplus Property	853,767	1,194,055	1,148,071
Fixed Price Vehicle Program	599,578	600,000	600,000
Surplus Property Recycling	41,834	41,610	87,594
Surplus Property Sale Proceed	159,199	90,000	90,000
TOTAL	\$ 3,286,405	\$ 3,676,059	\$ 3,669,195
PERSONAL SERVICE			
General Revenue Fund	1,556,130	1,586,591	1,628,344
Federal Funds	0	41,753	0
Other Funds	632,450	792,055	792,055
EXPENSE AND EQUIPMENT			
General Revenue Fund	75,897	112,154	115,186
Federal Funds	0	9,896	0
Other Funds	911,780	1,090,410	1,088,610
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	110,148	43,200	45,000
TOTAL			
General Revenue Fund	1,632,027	1,698,745	1,743,530
Federal Funds	0	51,649	0
Other Funds	1,654,378	1,925,665	1,925,665
Total Full-time Equivalent Employees	53.71	55.00	55.00
General Revenue Fund	33.75	33.00	34.00
Federal Funds	0.00	1.00	0.00
Other Funds	19.96	21.00	21.00

The Division of Purchasing and Materials Management centralizes procurement to save money by purchasing supplies, materials, and services in larger quantities and encourages competitive bidding and awards on all contracts. All of state government is served except certain universities, Missouri Department of Transportation, Judiciary, Lottery, and the General Assembly. It encourages the participation of suppliers, including small disadvantaged businesses, in the competitive bid process and ensures compliance with Chapter 34, RSMo. The division also coordinates recycling collection efforts of state agencies and administers the Recycling Products Preference Program. The materials management section recycles property among agencies and sells surplus state equipment through negotiated, sealed bids, and auction sales. Surplus property sales receipts are used to pay the expenses of surplus property sales with the remaining receipts distributed to the appropriate state funds from which the equipment was purchased. This section also administers the Federal Surplus Property Program that distributes donated new and used federal surplus property to eligible entities which include all state agencies, political subdivisions, not-for-profit health and education entities, and service agencies that meet the federal program guidelines.

Fiscal Year 2011 Governor's Recommendations

- \$50,857 and one staff to replace federal budget stabilization funds.
- (\$57,721) and (one) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$6,072) general revenue.

**OFFICE OF ADMINISTRATION
DIVISION OF FACILITIES MANAGEMENT, DESIGN AND CONSTRUCTION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Second State Capitol Commission TOTAL	\$ 0	\$ 25,000	\$ 25,000
EXPENSE AND EQUIPMENT Second Capitol Commission Fund	0	25,000	25,000
Total Full-time Equivalent Employees	515.04	497.00	697.00
Other Funds	515.04	497.00	697.00

The Division of Facilities Management, Design and Construction (FMDC) provides professional asset management services to assist state entities in meeting their facility needs for the benefit of the public. These services include: Real Estate Services, Portfolio Management, Facility Management, Project Management, Construction Management, Contract Management, Facility Condition Assessment, Space Management, Space Standards, Statewide Master Plan, and Energy Management. The mission of the division is to provide a superior workplace environment for state occupants and their visitors, and protect the state's investments in property assets. While appropriation authority for the division will appear in the Office of Administration appropriation bill, the funds for purposes of the Executive Budget appear in the Statewide Real Estate appropriations bill. FMDC's costs are: \$27,037,940 for personal service for 697 FTE and \$68,731,154 for expense and equipment.

Fiscal Year 2011 Governor's Recommendations

- 195 staff State Facility Maintenance and Operation Fund transferred from the Department of Mental Health and the Department of Elementary and Secondary Education for additional maintenance consolidation.
- Five staff State Facility Maintenance and Operation Fund for construction management in sourcing, which will be less expensive than previous contracted staff.

**OFFICE OF ADMINISTRATION
DIVISION OF GENERAL SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
General Services	\$ 997,329	\$ 953,624	\$ 937,724
Fleet Vehicle Replacement	1,129,080	3,114,000	0
Legal Expense Fund	19,115,936	6,732,435	6,732,435
TOTAL	\$ 21,242,345	\$ 10,800,059	\$ 7,670,159
PERSONAL SERVICE			
General Revenue Fund	827,595	859,990	849,240
EXPENSE AND EQUIPMENT			
General Revenue Fund	169,734	93,634	88,484
Federal Funds	0	3,114,000	0
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	19,826,590	6,000,000	6,000,000
Other Funds	418,426	732,435	732,435
TOTAL			
General Revenue Fund	20,823,919	6,953,624	6,937,724
Federal Funds	0	3,114,000	0
Other Funds	418,426	732,435	732,435
Total Full-time Equivalent Employees	87.47	98.50	106.00
General Revenue Fund	20.18	21.50	21.00
Other Funds	67.29	77.00	85.00

The Division of General Services provides agencies with a variety of support services including: printing, fleet management, vehicle maintenance, mail services, administration of the Missouri State Employees Charitable Campaign, the Legal Expense Fund, and the state employee Workers' Compensation Program. The Division of General Services also supplies staff to administer the Missouri Public Entity Risk Management Fund, a liability and property insurance pool for Missouri public entities. The Department of Social Services mail operations is being consolidated within the Division of General Services in Fiscal Year 2011.

Fiscal Year 2011 Governor's Recommendations

- Eight staff Office of Administration Revolving Administrative Trust Fund for the Department of Social Services mail consolidation.
- (\$3,114,000) Federal Budget Stabilization Fund reduction for one-time expenditures.
- (\$15,900) and (.5) staff core reduction from the Fiscal Year 2010 appropriation level.

**OFFICE OF ADMINISTRATION
ASSIGNED PROGRAMS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administrative Hearing Commission	\$ 813,642	\$ 928,661	\$ 923,271
Office of Child Advocate	237,948	300,648	295,179
Children's Trust Fund	3,015,581	3,716,339	3,716,339
Governor's Council on Disability	198,783	197,723	196,028
Missouri Ethics Commission	1,070,060	1,195,839	1,195,839
TOTAL	\$ 5,336,014	\$ 6,339,210	\$ 6,326,656
PERSONAL SERVICE			
General Revenue Fund	1,814,192	2,027,392	2,028,855
Federal Funds	84,919	71,114	71,114
Other Funds	202,751	211,199	211,199
EXPENSE AND EQUIPMENT			
General Revenue Fund	402,940	457,182	443,165
Federal Funds	18,113	66,883	66,883
Other Funds	65,974	144,140	144,140
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	269	300	300
Other Funds	2,746,856	3,361,000	3,361,000
TOTAL			
General Revenue Fund	2,217,401	2,484,874	2,472,320
Federal Funds	103,032	137,997	137,997
Other Funds	3,015,581	3,716,339	3,716,339
Total Full-time Equivalent Employees	57.40	61.50	61.50
General Revenue Fund	38.14	41.18	41.18
Federal Funds	1.54	1.32	1.32
Other Funds	17.72	19.00	19.00

ADMINISTRATIVE HEARING COMMISSION

The Administrative Hearing Commission conducts evidentiary hearings and makes findings of fact and conclusions of law relating to contested cases between private parties and state agencies. The Commission's jurisdiction includes appeals involving professional licensing matters, tax decisions by the Director of Revenue, MO HealthNet provider certifications and claims, assessments by the Missouri Ethics Commission, and certain actions by the Highways and Transportation Commission relating to railroads and motor carriers.

Fiscal Year 2011 Governor's Recommendations

- (\$5,390) core reduction from the Fiscal Year 2010 appropriation level.

OFFICE OF CHILD ADVOCATE

The Office of Child Advocate operates as an independent agency under the Governor's Office within the Office of Administration. The ombudsman provides families and citizens with an avenue through which they can obtain an independent and impartial review of the decisions and/or actions made by the Department of Social Services Children's Division.

There are three main duties of the advocate's office: 1) provide education to Missouri citizens regarding the child welfare process, including investigation, case management, and the court system; 2) receive and investigate complaints from citizens regarding the child welfare system; and 3) make recommendations on improving the system.

Fiscal Year 2011 Governor's Recommendations

- (\$5,469) core reduction from the Fiscal Year 2010 appropriation level.

OFFICE OF ADMINISTRATION ASSIGNED PROGRAMS

CHILDREN'S TRUST FUND

The Children's Trust Fund facilitates and funds the development of community-based prevention programs to strengthen families, prevent child abuse and neglect, and provide public education about the problem of child abuse and its prevention. Activities of the Children's Trust Fund are divided into two broad areas: public education and program development and funding. Each includes an array of programs to meet the goals of the board.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

GOVERNOR'S COUNCIL ON DISABILITY

The Governor's Council on Disability promotes full participation of the nearly one million Missourians with disabilities in all aspects of community life by educating employers, employees, local and state governments, persons with disabilities, and other interested parties of their rights and responsibilities under the Americans with Disabilities Act, Missouri Human Rights Act, and other disability rights laws.

Fiscal Year 2011 Governor's Recommendations

- (\$1,695) core reduction from the Fiscal Year 2010 appropriation level.

MISSOURI PUBLIC ENTITY RISK MANAGEMENT PROGRAM

The Missouri Public Entity Risk Management Program (MOPERM) provides a shared risk pool for local governmental agencies to have affordable insurance coverage. MOPERM provides entities with both liability and property coverage. The Office of Administration provides staff for this program, but is reimbursed for all expenses incurred on behalf of MOPERM.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI ETHICS COMMISSION

The Missouri Ethics Commission is charged with successfully fulfilling the duties and responsibilities described in Chapters 105 and 130, RSMo. These duties and responsibilities include, but are not limited to, the administration of the following: campaign finance disclosure, report review and audit, lobbyist registration, lobbyist report review and audit, personal financial disclosure statement, opinion writing in response to formal requests, investigation of conflict of interest allegations, audit and investigation of complaints, and investigation of alleged code of conduct violations.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
DEBT AND RELATED OBLIGATIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Board of Public Buildings Debt Service	\$ 61,794,931	\$ 61,332,480	\$ 51,682,561
Lease/Purchase Debt Service	13,180,863	13,177,613	15,783,579
Board of Unemployment Fund Financing Debt Service	0	1	0
Board of Unemployment Fund Financing Arbitrage/Fees Expenses	0	2	0
State Property Preservation Transfer	0	1	1
MOHEFA	2,893,956	2,890,955	2,883,580
Debt management	14,630	100,000	85,000
New Jobs Training Certificate	0	1	1
Convention and Sports Complexes	17,000,000	17,000,000	17,000,000
TOTAL	\$ 94,884,380	\$ 94,501,053	\$ 87,434,722
EXPENSE AND EQUIPMENT			
General Revenue Fund	14,630	105,922	90,922
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	94,869,750	94,395,128	84,743,334
Other Funds	0	3	2,600,466
TOTAL			
General Revenue Fund	94,884,380	94,501,050	84,834,256
Other Funds	0	3	2,600,466
Total Full-time Equivalent Employees	0.00	0.00	0.00

BOARD OF PUBLIC BUILDINGS DEBT SERVICE

This appropriation is for payment of principal, interest, and reserve requirements on outstanding bonds.

Fiscal Year 2011 Governor's Recommendations

- (\$9,649,919) core reduction from the Fiscal Year 2010 appropriation level.

LEASE/PURCHASE DEBT SERVICE

This appropriation is for the payment of principal and interest on outstanding financings.

Fiscal Year 2011 Governor's Recommendations

- \$2,600,466 State Facility and Maintenance Operation Fund for the payment of annual debt service related to Leasehold Revenue Bonds Series 2005 and Series 2006.
- \$5,500 for an increase in debt service payment.

BOARD OF UNEMPLOYMENT FUND FINANCING

The Board of Unemployment Fund Financing is authorized to sell up to \$450 million of credit instruments or enter into financial agreements to provide funds for payments of employment benefits to maintain an adequate fund balance in the Employment Compensation Fund.

Fiscal Year 2011 Governor's Recommendations

- (\$3) other funds core reduction to eliminate this appropriation. There are no outstanding bonds and no plans to issue new ones.

OFFICE OF ADMINISTRATION DEBT AND RELATED OBLIGATIONS

MISSOURI HEALTH AND EDUCATIONAL FACILITIES AUTHORITY DEBT SERVICE

The Missouri Health and Educational Facilities Authority (MoHEFA) has issued \$39,999,569 in Series A 1989 Missouri College Savings Bonds to fund building projects at the University of Missouri. In November 2001, \$35 million in bonds were issued for the University of Missouri-Columbia Arena Project.

Fiscal Year 2011 Governor's Recommendations

- (\$7,375) core reduction from the Fiscal Year 2010 appropriation level.

DEBT MANAGEMENT

This appropriation is for professional assistance with managing the state's \$2.2 billion outstanding debt so that the Office of Administration can monitor the debt and act quickly to take advantage of savings opportunities.

Fiscal Year 2011 Governor's Recommendations

- (\$15,000) core reduction from the Fiscal Year 2010 appropriation level.

NEW JOBS TRAINING CERTIFICATES

Sections 178.892 to 178.896, RSMo, established the New Jobs Training Program. Businesses establishing new jobs in the state can enter into an agreement with a community college district to provide training for new employees. The training is funded from the proceeds of new jobs training certificates issued by community college districts. The debt service on the certificates is payable from the employees' Missouri income tax withholding credits. If the business would sharply decrease or eliminate its operations, funds may not be available to meet debt service costs.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

CONVENTION AND SPORTS COMPLEX PROJECTS

Sections 67.641 and 67.653 RSMo authorize annual appropriations of state matching funds for convention and sports complex capital projects in certain cities and counties. Ongoing projects include: Jackson County Sports Complex Stadium, \$3,000,000; Bartle Hall, \$2,000,000; and Edward Jones Dome, \$12,000,000.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
ADMINISTRATIVE DISBURSEMENTS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Cash Management Improvement Act	\$ 1,603,972	\$ 2,000,000	\$ 2,000,000
Audit Recovery Distribution	0	1	1
Budget Reserve Interest	1,050,777	3,000,001	3,000,001
Budget Reserve Required Transfer	12,281,365	2	2
Other Fund Corrections	14,443,185	2	2
Flood Control Lands Grant	1,420,526	865,000	865,000
National Forest Reserve Grant	8,441,991	2,415,000	2,415,000
County Prosecution Reimbursements	14,200	15,000	15,000
Regional Planning Commissions	291,000	200,000	190,000
Elected Officials Transition	111,352	0	13,000
TOTAL	\$ 39,658,368	\$ 8,495,006	\$ 8,498,006
PERSONAL SERVICE			
General Revenue Fund	81,993	0	5,000
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,633,331	2,000,001	2,008,001
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,474,059	3,215,002	3,205,002
Federal Funds	9,900,994	3,280,000	3,280,000
Other Funds	26,567,991	3	3
TOTAL			
General Revenue Fund	3,189,383	5,215,003	5,218,003
Federal Funds	9,900,994	3,280,000	3,280,000
Other Funds	26,567,991	3	3
Total Full-time Equivalent Employees	1.55	0.00	0.00
General Revenue Fund	1.55	0.00	0.00

Acting as the central financial agency for the state, the Office of Administration makes numerous disbursements each year.

CASH MANAGEMENT IMPROVEMENT ACT

The federal Cash Management Improvement Act of 1990 and 1992 requires that the state pay interest on certain federal grant monies while deposited in the State Treasury. Interest is calculated and paid at the daily equivalent of the annualized 13-week average Treasury Bill Rate.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

AUDIT RECOVERY DISTRIBUTION

This is a mechanism to allow the distribution of a percentage of monies recovered by the state to the audit firm that recovers the money.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
ADMINISTRATIVE DISBURSEMENTS**

BUDGET RESERVE INTEREST

In the event that the General Revenue Fund borrows money from the Budget Reserve Fund or other funds, general revenue must repay the loan with interest. This mechanism will allow that to happen.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

BUDGET RESERVE REQUIRED TRANSFER

Article IV, Section 27(a), requires a transfer from either general revenue or the Budget Reserve Fund, depending on the balance left in the Budget Reserve Fund at the close of a fiscal year.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

OTHER FUND CORRECTIONS

A transfer section is needed as a mechanism by which corrections can be made when money is erroneously deposited into the wrong fund.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

FLOOD CONTROL LANDS GRANT

The Flood Control Lands Grant is a "pass-through" of funds that represents 75 percent of the monies from leases of the land owned by the United States under the Flood Control Act. Sections 12.080 and 12.090, RSMo, prescribe that the funds be used for the benefit of public schools and public roads of the county in which the government land is situated. These funds may also be used for any expenses of the county government, including public obligations of levee and drainage districts for flood control and drainage improvements.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

NATIONAL FOREST RESERVE GRANT

The National Forest Reserve Grant is a pass-through of funds received from the federal government. Sections 12.070 and 12.090, RSMo, provide for 25 percent of all the money received by the National Forest Reserve by the state to be expended for the benefit of public schools and public roads of the county in which the forest reserve is located. Of the total received, 75 percent will be spent for public schools and 25 percent for public roads.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
ADMINISTRATIVE DISBURSEMENTS**

COUNTY PROSECUTION REIMBURSEMENTS

The state may provide reimbursement to counties for expenses incurred in the prosecution of crimes within correctional institutions and expenses of trials of capital cases in limited circumstances.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

REGIONAL PLANNING COMMISSIONS

State financial aid enables local governments, through regional planning commissions, to initiate programs and services identified as important by member governments. State funds are matched by local funds.

Fiscal Year 2011 Governor's Recommendations

- (\$10,000) core reduction from the Fiscal Year 2010 appropriation level.

ELECTED OFFICIALS TRANSITION

The state provides operating costs for the transition into office of newly elected officials, including the Governor, Lieutenant Governor, Secretary of State, Auditor, Treasurer, and Attorney General.

Fiscal Year 2011 Governor's Recommendations

- \$13,000 for transition expenses for the State Auditor.

FRINGE BENEFITS

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
OASDHI Contributions	\$ 156,709,250	\$ 157,362,475	\$ 157,336,934	\$ 164,399,000
Missouri State Employees' Retirement System	250,749,809	256,362,701	276,045,922	287,256,000
Teacher Retirement Contributions	2,915,927	3,540,560	3,540,560	3,540,560
Deferred Compensation	14,671,545	14,755,358	14,751,369	16,107,527
Unemployment Benefits	3,453,713	4,031,684	4,031,684	4,022,288
Missouri Consolidated Health Care Plan	328,719,770	435,000,000	447,233,335	448,120,047
Other Post-Employment Benefits	30,010,018	57,729,172	75,622,172	30,174,172
Workers' Compensation	28,553,084	25,544,782	25,544,782	25,459,632
Other Employer Disbursements	<u>3,483,500</u>	<u>862,002</u>	<u>862,002</u>	<u>862,002</u>
TOTAL	\$ 819,266,616	\$ 955,188,734	\$ 1,004,968,760	\$ 979,941,228
General Revenue Fund	531,421,848	579,070,313	610,888,931	584,842,514
Federal Funds	142,995,920	205,724,256	216,396,858	212,894,534
Other Funds	144,848,848	170,394,165	177,682,971	182,204,180

**FRINGE BENEFITS
OASDHI CONTRIBUTIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
OASDHI Contributions	\$ 150,250,518	\$ 149,974,475	\$ 157,005,000
Highway Patrol OASDHI Contributions	<u>6,458,732</u>	<u>7,388,000</u>	<u>7,394,000</u>
TOTAL	\$ 156,709,250	\$ 157,362,475	\$ 164,399,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	82,721,814	73,903,095	77,529,915
Federal Funds	24,527,801	29,576,915	32,093,084
Other Funds	49,459,635	53,882,465	54,776,001

The State of Missouri pays the employer's share of federal Old Age and Survivors Disability and Health Insurance contributions on all state employees' salaries.

Fiscal Year 2011 Governor's Recommendations

- \$5,456,309 to reflect adjustments in the actual Fiscal Year 2010 expenditure level, including \$2,942,689 general revenue.
- \$2,055,000 for new staff statewide, including \$663,000 general revenue primarily for replacement of positions funded with federal budget stabilization funds.
- \$495,915 to replace federal budget stabilization funds.
- \$15,301 transferred from the Department of Natural Resources.
- (\$495,915) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.
- (\$490,085) transferred to various departments to pay fringe costs associated with contractual employees.

FRINGE BENEFITS
MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM CONTRIBUTIONS

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri State Employees' Retirement System Contribution	\$ 250,749,809	\$ 256,362,701	\$ 287,256,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	168,263,919	158,678,410	175,783,353
Federal Funds	43,958,154	52,158,354	61,485,647
Other Funds	38,527,736	45,525,937	49,987,000

The State of Missouri provides an employer funded retirement program for employees by contributing a specified percentage of members' wages to the Missouri State Employees' Retirement System. The state's contribution includes a payment per month to the Missouri State Employees' Benefit Plan and a payment of long-term disability premiums.

Fiscal Year 2011 Governor's Recommendations

- \$17,692,000 for an increased retirement benefit contribution rate, including \$9,784,000 general revenue.
- \$10,714,233 to reflect adjustments in the actual Fiscal Year 2010 expenditure level, including \$6,263,524 general revenue.
- \$3,515,000 for new staff statewide, including \$1,378,000 general revenue primarily for replacement of positions funded with federal budget stabilization funds.
- \$707,353 to replace federal budget stabilization funds.
- \$33,491 transferred from the Department of Natural Resources.
- (\$1,061,425) transferred to various departments to pay fringe costs associated with contractual employees.
- (\$707,353) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

**FRINGE BENEFITS
TEACHER RETIREMENT CONTRIBUTIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Teacher Retirement Contributions	\$ 2,915,927	\$ 3,540,560	\$ 3,540,560
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	2,539,868	2,400,000	2,400,000
Federal Funds	375,227	1,070,000	1,070,000
Other Funds	832	70,560	70,560

Section 104.342, RSMo, provides that the Commissioner of Administration shall monthly requisition and certify the payment of contributions to the Public School Retirement System (PSRS). Authority to transfer and expend these monies is required to comply with statutory provisions. The Department of Elementary and Secondary Education, Department of Mental Health, Department of Social Services, and Department of Corrections employ certified teachers who remain members of the PSRS.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**FRINGE BENEFITS
DEFERRED COMPENSATION PROGRAM**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Deferred Compensation	\$ 14,077,185	\$ 14,198,585	\$ 15,387,600
Highway Patrol Deferred Compensation	594,360	556,773	719,927
TOTAL	\$ 14,671,545	\$ 14,755,358	\$ 16,107,527
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	7,280,348	6,969,082	8,099,290
Federal Funds	2,562,746	2,876,149	3,077,310
Other Funds	4,828,451	4,910,127	4,930,927

Sections 105.900 to 105.927, RSMo created the Missouri State Public Employees Deferred Compensation Commission to encourage employees to supplement their Missouri State Employees' Retirement Plan and Social Security. The state currently matches up to \$35 per month of each employee's deferred compensation deposit.

Fiscal Year 2011 Governor's Recommendations

- \$1,343,692 to reflect adjustments in the actual Fiscal Year 2010 expenditure level, including \$1,068,614 general revenue.
- \$233,527 for new staff statewide, including \$56,500 general revenue primarily for replacement of positions funded with federal budget stabilization funds.
- \$77,790 to replace federal budget stabilization funds.
- \$2,340 transferred from the Department of Natural Resources.
- (\$230,144) federal and other funds reduction from the Fiscal Year 2010 appropriation level.
- (\$75,036) transferred to various departments to pay fringe costs associated with contractual employees.

**FRINGE BENEFITS
DISBURSEMENT FOR UNEMPLOYMENT BENEFITS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Unemployment Benefits	\$ 3,432,610	\$ 3,861,742	\$ 3,852,346
Highway Patrol Unemployment Benefits	21,103	169,942	169,942
TOTAL	\$ 3,453,713	\$ 4,031,684	\$ 4,022,288
 PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,808,730	1,667,941	1,658,545
Federal Funds	613,795	488,664	488,664
Other Funds	1,031,188	1,875,079	1,875,079

The State of Missouri is required to pay contributions to the Division of Employment Security so unemployment claims may be paid to former employees. A governmental entity may elect to either pay contributions in advance based on a statutory formula or to reimburse the Division of Employment Security for actual claims paid out to former employees. The State of Missouri utilizes the reimbursement for actual claims paid option. By using this deferred method of payment and one central appropriation, the state simplifies the administration of unemployment benefits.

Fiscal Year 2011 Governor's Recommendations

- \$320 transferred from the Department of Natural Resources.
- (\$9,716) transferred to various departments to pay fringe costs associated with contractual employees.

FRINGE BENEFITS
MISSOURI CONSOLIDATED HEALTH CARE PLAN

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri Consolidated Health Care Plan Contributions	\$ 328,719,770	\$ 435,000,000	\$ 448,120,047
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	221,080,566	279,798,218	274,771,677
Federal Funds	64,959,766	98,566,802	108,298,865
Other Funds	42,679,438	56,634,980	65,049,505

The Missouri Consolidated Health Care Plan administers health care benefits for state employees. In 1995, municipalities and other public entities were allowed to join the Missouri Consolidated Health Care Plan as well, building a larger pool of members and greater bargaining power for lower cost medical services.

Fiscal Year 2011 Governor's Recommendations

- \$12,620,479 federal and other funds for increased costs to reflect adjustments in the actual Fiscal Year 2010 expenditure level.
- \$5,787,000 for new staff statewide, including \$1,925,000 general revenue primarily for replacement of positions funded with federal budget stabilization funds.
- \$4,341,078 to expand health benefits for dependents with autism diagnoses, including \$2,676,869 general revenue.
- \$65,913 transferred from the Department of Natural Resources.
- \$100 to replace federal budget stabilization funds.
- (\$7,677,316) reduction from the Fiscal Year 2010 appropriation level, including (\$7,677,216) general revenue.
- (\$2,017,207) transferred to various departments to pay fringe costs associated with contractual employees.

**FRINGE BENEFITS
OTHER POST-EMPLOYMENT BENEFITS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Other Post-Employment Benefits	\$ 30,010,018	\$ 57,729,172	\$ 30,174,172
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	19,931,576	31,055,000	20,000,100
Federal Funds	5,998,431	20,901,155	6,380,964
Other Funds	4,080,011	5,773,017	3,793,108

The State of Missouri is responsible for the prudent management of future liabilities for retiree health care costs. Beginning in Fiscal Year 2008, accounting rules required state governments to account for this liability, which was \$1.3 billion at that time. In order to reduce future liabilities, Missouri maintains an annual pre-funding contribution.

Fiscal Year 2011 Governor's Recommendations

- \$100 to replace federal budget stabilization funds.
- (\$27,555,100) reduction from the Fiscal Year 2010 appropriation level, including (\$11,055,000) general revenue.

**FRINGE BENEFITS
WORKERS' COMPENSATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Workers' Compensation	\$ 27,227,034	\$ 24,019,782	\$ 23,934,632
Workers' Compensation/Second Injury Fund Tax	1,326,050	1,525,000	1,525,000
TOTAL	\$ 28,553,084	\$ 25,544,782	\$ 25,459,632
EXPENSE AND EQUIPMENT			
General Revenue Fund	17,144,060	16,371,940	16,030,600
Other Funds	526,604	550,000	500,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	10,650,967	8,226,625	8,569,032
Federal Funds	0	86,217	0
Other Funds	231,453	310,000	360,000
TOTAL			
General Revenue Fund	27,795,027	24,598,565	24,599,632
Federal Funds	0	86,217	0
Other Funds	758,057	860,000	860,000

The State of Missouri is responsible for payment of Workers' Compensation benefits to injured state employees in accordance with Chapter 287, RSMo. Payments made by general revenue on behalf of employees paid from other funding sources are transferred from these funds back to general revenue. As a Workers' Compensation self-insurer, the state pays its Workers' Compensation tax and Second Injury Fund assessments based on billings received from the Department of Insurance, Financial Institutions and Professional Registration and the Division of Workers' Compensation.

Fiscal Year 2011 Governor's Recommendations

- \$86,217 to replace federal budget stabilization funds.
- \$2,900 transferred from the Department of Natural Resources.
- (\$88,050) transferred to various departments to pay fringe costs associated with contractual employees.
- (\$86,217) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

**FRINGE BENEFITS
OTHER EMPLOYER DISBURSEMENTS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Voluntary Life Insurance	\$ 3,483,500	\$ 862,000	\$ 862,000
Cafeteria Plan Transfer	0	1	1
HR Contingency Transfer	0	1	1
TOTAL	\$ 3,483,500	\$ 862,002	\$ 862,002
 PERSONAL SERVICE			
General Revenue Fund	0	2	2
Other Funds	3,483,500	862,000	862,000

VOLUNTARY LIFE INSURANCE

State employees may opt to withhold funds for voluntary life insurance. This appropriation provides expenditure authority to distribute the monies withheld to the various life insurance companies as designated by employees.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

CAFETERIA PLAN TRANSFER

The state offers a tax reduction plan for state employees who set aside a portion of their salaries for certain expenses such as medical care. The federal government requires the state to provide a sufficient balance in the medical expenses category for timely reimbursements to plan participants.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

HUMAN RESOURCES CONTINGENCY FUND TRANSFER

This transfer section ensures that payroll checks submitted for payment against accounts with temporary allotment or fund cash flow problems can be generated within the time constraints of pay period processing.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF AGRICULTURE

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 35,525,059	\$ 39,216,915	\$ 34,115,566	\$ 36,228,855
Agriculture Business Development Division	4,322,042	4,713,856	5,346,887	4,988,851
Division of Animal Health	3,873,865	5,376,941	5,376,941	5,551,737
Division of Grain Inspection and Warehousing	2,051,467	2,826,575	2,841,575	2,838,075
Division of Plant Industries	2,495,688	2,921,291	3,366,771	3,366,771
Division of Weights and Measures	2,986,701	3,578,486	3,563,486	3,563,486
Missouri State Fair	4,073,727	4,916,117	4,916,117	4,916,117
State Milk Board	1,159,716	1,591,933	1,566,433	1,559,823
DEPARTMENTAL TOTAL	\$ 56,488,265	\$ 65,142,114	\$ 61,093,776	\$ 63,013,715
General Revenue Fund	44,132,894	9,907,564	42,718,785	44,340,263
Federal Budget Stabilization Fund	0	37,515,000	0	0
Federal Funds	1,866,279	3,598,225	4,145,134	4,145,134
Animal Health Laboratory Fee Fund	231,230	618,926	570,842	570,842
Animal Care Reserve Fund	333,570	506,942	556,641	801,181
State Fair Fees Fund	3,578,014	4,338,536	4,338,536	4,392,457
Milk Inspection Fees Fund	1,037,317	1,459,359	1,467,893	1,467,893
Grain Inspection Fees Fund	1,241,396	1,855,003	1,855,003	1,855,003
Petroleum Inspection Fund	1,813,242	2,275,907	2,406,500	2,406,500
Agriculture Business Development Fund	189,357	405,277	415,277	415,277
Missouri Wine and Grape Fund	1,692,685	1,833,569	1,828,859	1,828,859
Other Funds	372,281	827,806	790,306	790,306
Total Full-time Equivalent Employees	351.43	391.06	397.09	397.34
General Revenue Fund	184.62	189.94	193.97	187.71
Federal Funds	23.42	31.36	35.36	35.36
Other Funds	143.39	169.76	167.76	174.27

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$63 million for the Department of Agriculture. The department provides services for Missouri's farmers, ranchers, and agriculture processors. Although the revenue situation makes budget reductions necessary, the Governor's budget does include strategic investments in agriculture. These include funds to promote local food production, strengthen annual disease control efforts, and promote biodiesel production. The core functions provided by the Department of Agriculture include:

- Promote Missouri agriculture, both at home and abroad.
- Assist start-up value-added agriculture businesses.
- Protect Missouri's livestock and domestic animals, and the businesses and citizens who rely on them.
- Inspect Missouri's fresh fruits, vegetables, milk, feed, seed, and forest products.
- Regulate, control, and inspect measuring devices and petroleum products.

**DEPARTMENT OF AGRICULTURE
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 35,525,059	\$ 39,216,915	\$ 36,228,855
PERSONAL SERVICE			
General Revenue Fund	833,451	912,668	912,668
Federal Funds	46,039	188,880	188,880
EXPENSE AND EQUIPMENT			
General Revenue Fund	108,692	167,309	155,598
Federal Funds	132,068	201,224	335,549
Other Funds	141,626	0	214,326
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	34,251,325	120,000	34,295,000
Federal Funds	11,858	37,626,834	126,834
TOTAL			
General Revenue Fund	35,193,468	1,199,977	35,363,266
Federal Funds	189,965	38,016,938	651,263
Other Funds	141,626	0	214,326
Total Full-time Equivalent Employees	16.91	21.00	21.00
General Revenue Fund	16.04	17.55	17.55
Federal Funds	0.87	3.45	3.45

The Office of the Director makes policy decisions on agricultural issues, sets the department's goals and priorities, and coordinates activities of the various divisions to achieve those goals. The Office of the Director includes administrative functions such as fiscal services, human resources, and public information. The Director's Office also administers the Ethanol Producer Incentive Program and the Biodiesel Producer Incentive Program.

Fiscal Year 2011 Governor's Recommendations

- \$34,175,000 for incentives for biodiesel plants.
- \$348,651 federal and other funds for vehicle replacements.
- (\$25,000,000) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.
- (\$12,500,000) Federal Budget Stabilization Fund reduction for one-time expenditures.
- (\$11,711) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF AGRICULTURE
AGRICULTURE BUSINESS DEVELOPMENT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Agriculture Business Development Division	\$ 4,322,042	\$ 4,713,856	\$ 4,988,851
PERSONAL SERVICE			
General Revenue Fund	984,086	983,009	1,043,976
Federal Funds	7,560	66,340	66,340
Other Funds	369,048	448,284	448,284
EXPENSE AND EQUIPMENT			
General Revenue Fund	567,450	491,534	830,272
Federal Funds	69,720	256,244	256,244
Other Funds	1,646,421	2,024,368	2,019,658
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	550,369	252,447	122,447
Federal Funds	71,472	42,500	42,500
Other Funds	55,916	149,130	159,130
TOTAL			
General Revenue Fund	2,101,905	1,726,990	1,996,695
Federal Funds	148,752	365,084	365,084
Other Funds	2,071,385	2,621,782	2,627,072
Total Full-time Equivalent Employees	34.64	34.83	36.11
General Revenue Fund	24.86	23.42	24.70
Federal Funds	0.23	1.26	1.26
Other Funds	9.55	10.15	10.15

The Agriculture Business Development Division (ABD) increases the profitability of Missouri's farmers and agribusinesses by increasing international and domestic sales of agricultural products that are produced or processed in Missouri. The division provides six specific services: (1) business counseling, (2) domestic marketing assistance, (3) international marketing assistance, (4) industry facilitation, (5) product promotion, and (6) financial programs. The first five of these services are administered through the Business Services Program of ABD. Financial programs are administered through the Missouri Agriculture and Small Business Development Authority (MASBDA), which is governed by an independent board. MASBDA administers loans, loan guarantees, grants, and tax credits aimed at increasing the profitability of Missouri's farmers.

ABD also administers the AgriMissouri branding initiative which promotes products that are produced or processed in Missouri through a variety of marketing channels, including retail, restaurants, schools, institutions, and direct-to-consumer marketing. Over 250 Missouri businesses are members of AgriMissouri. Members of the Commission on the Marketing of Missouri Agricultural Products serve as advisors to the department's AgriMissouri marketing efforts.

Fiscal Year 2011 Governor's Recommendations

- \$611,747 and 2.03 staff to support the production, processing, and consumption of local foods, including \$601,747 general revenue.
- (\$258,036) and (.75) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$59,006) core reduction for one-time expenditures.
- (\$15,000) reallocated to the Division of Grain Inspection and Warehousing.
- (\$4,710) Missouri Wine and Grape Fund transferred to the Office of Administration.

**DEPARTMENT OF AGRICULTURE
DIVISION OF ANIMAL HEALTH**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Animal Health	\$ 3,873,865	\$ 5,376,941	\$ 5,551,737
PERSONAL SERVICE			
General Revenue Fund	1,813,688	1,902,919	1,841,675
Federal Funds	477,416	625,988	674,072
Other Funds	253,437	511,323	661,779
EXPENSE AND EQUIPMENT			
General Revenue Fund	582,514	584,172	575,672
Federal Funds	358,788	915,026	915,026
Other Funds	331,237	695,061	741,061
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	1	1
Other Funds	56,785	142,451	142,451
TOTAL			
General Revenue Fund	2,396,202	2,487,092	2,417,348
Federal Funds	836,204	1,541,014	1,589,098
Other Funds	641,459	1,348,835	1,545,291
Total Full-time Equivalent Employees	65.56	72.35	73.35
General Revenue Fund	45.55	45.42	40.91
Federal Funds	12.67	14.50	15.50
Other Funds	7.34	12.43	16.94

The Division of Animal Health implements programs to protect Missouri's livestock, poultry, and other domestic animals from dangerous, infectious, or contagious diseases. These responsibilities include the enforcement of animal health regulations as required under Section 267.230, RSMo. Through control and elimination of diseases and diseased animals, the division enables Missouri's livestock and poultry to remain eligible for interstate and international export marketing. Diagnostic laboratories are maintained in Jefferson City and Springfield, and additional professional services are contracted through the University of Missouri-Columbia College of Veterinary Medicine. The division also works closely with USDA-Veterinary Services and receives significant federal funding as a result of this relationship.

The division's Meat and Poultry Inspection Program works with producers to promote, protect, and develop the agricultural interests of Missouri processed meat products. This program helps livestock and poultry producers add value to their operations and capture additional profits from their meat products. To ensure the health and well-being of companion animals sold in Missouri, the division also licenses and inspects animal shelters, dog pounds, boarding kennels, commercial kennels, contract kennels, and pet shops.

Fiscal Year 2011 Governor's Recommendations

- \$244,540 Animal Care Reserve Fund and 5.51 staff to replace the Animal Care Facility Act Program's general revenue funding.
- \$203,892 and two staff to strengthen animal disease control efforts.
- (\$273,636) and (6.51) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF AGRICULTURE
DIVISION OF GRAIN INSPECTION AND WAREHOUSING**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Grain Inspection and Warehousing	\$ 2,051,467	\$ 2,826,575	\$ 2,838,075
PERSONAL SERVICE			
General Revenue Fund	638,192	720,035	700,035
Federal Funds	9,359	35,021	35,021
Other Funds	1,077,362	1,548,059	1,548,059
EXPENSE AND EQUIPMENT			
General Revenue Fund	95,145	77,784	109,284
Federal Funds	3,340	41,180	41,180
Other Funds	215,588	374,493	374,493
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	12,481	30,003	30,003
TOTAL			
General Revenue Fund	733,337	797,819	809,319
Federal Funds	12,699	76,201	76,201
Other Funds	1,305,431	1,952,555	1,952,555
Total Full-time Equivalent Employees	54.78	65.25	65.25
General Revenue Fund	14.58	17.00	17.00
Federal Funds	0.22	0.50	0.50
Other Funds	39.98	47.75	47.75

The Division of Grain Inspection and Warehousing operates four programs to assist Missouri grain farmers and agribusinesses. The Grain Regulatory Services Program enforces the Grain Warehouse Law, Chapter 411, RSMo, and the Grain Dealers Law, Section 276.401 through 276.581, RSMo, to ensure grain producers that license grain warehouses and grain dealers are reputable businesses in sound financial condition.

The Grain Inspection Services Program performs official inspection and weighing of grain upon request to assist both grain farmers and grain businesses in the marketing of Missouri's corn, soybean, wheat, and other grain crops. All costs are paid from fees charged for services performed.

The division also administers the state's Certified Agricultural Mediation Program, which mediates disputes between Missouri farmers and USDA agencies, and the Commodity Merchandising Program, which provides centralized administration for the collection and distribution of fees for nine commodity check-off programs.

Fiscal Year 2011 Governor's Recommendations

- \$15,000 reallocated from the Division of Agriculture Business Development.
- (\$3,500) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF AGRICULTURE
DIVISION OF PLANT INDUSTRIES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Plant Industries	\$ 2,495,688	\$ 2,921,291	\$ 3,366,771
PERSONAL SERVICE			
General Revenue Fund	1,531,427	1,588,996	1,664,996
Federal Funds	354,073	401,770	519,270
Other Funds	12,465	75,716	38,216
EXPENSE AND EQUIPMENT			
General Revenue Fund	271,856	212,903	255,383
Federal Funds	322,347	531,797	778,797
Other Funds	3,520	30,410	30,410
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	79,475	79,475
Other Funds	0	224	224
TOTAL			
General Revenue Fund	1,803,283	1,801,899	1,920,379
Federal Funds	676,420	1,013,042	1,377,542
Other Funds	15,985	106,350	68,850
Total Full-time Equivalent Employees	49.29	52.21	56.21
General Revenue Fund	39.36	39.56	41.56
Federal Funds	9.43	10.65	13.65
Other Funds	0.50	2.00	1.00

The Division of Plant Industries operates six programs and two laboratories serving Missouri agriculture. The Feed and Seed Program performs sampling and laboratory analyses of planting seed and commercial feeds to ensure that they meet requirements for accurate labeling. Inspections are also conducted to ensure good manufacturing practices are followed and that prohibited mammalian protein is not formulated into feed rations to help prevent the dissemination of Bovine Spongiform Encephalopathy (Mad Cow Disease).

The Pesticide Control Program promotes the safe use of pesticides by licensing private and commercial applications, conducting field inspections, conducting investigations of pesticide misuse, and ensuring the proper registration of pesticides. The Plant Pest Control Program conducts inspections of nurseries, greenhouses, and other plant products to prevent the introduction and dissemination of insect, disease, and noxious weed pests that could be detrimental to plants and crops. Phytosanitary certification inspections are also conducted for plant materials being exported to other states and countries.

The Integrated Pest Management Program (IPM) promotes effective alternative strategies to traditional pest control through the use of biological control agents, pest resistant varieties, and adoption of improved cultural practices. The IPM Program also administers the Boll Weevil Eradication Program. The Forest Resources and Weed Control Program inspects treated wood products to ensure that minimum preservation standards are met and assists county weed control boards in the control and eradication of Johnson grass, a noxious weed. The Fresh Fruit and Vegetable Inspection Program performs shipping point and terminal market inspections of fresh produce to facilitate the sale of Missouri grown produce and ensure the quality of produce sold to consumers.

Fiscal Year 2011 Governor's Recommendations

- \$327,000 federal funds and two staff to assess, monitor, and combat emerald ash borer infestations.
- \$118,902 and two staff to support the production, processing, and consumption of local foods.
- (\$422) core reduction for one-time expenditures.

**DEPARTMENT OF AGRICULTURE
DIVISION OF WEIGHTS AND MEASURES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Weights and Measures			
TOTAL	\$ 2,986,701	\$ 3,578,486	\$ 3,563,486
PERSONAL SERVICE			
General Revenue Fund	898,119	990,682	970,682
Federal Funds	0	35,946	35,946
Other Funds	1,301,349	1,504,637	1,504,637
EXPENSE AND EQUIPMENT			
General Revenue Fund	390,402	210,951	230,951
Federal Funds	2,239	15,000	0
Other Funds	394,592	771,270	771,270
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	50,000	50,000
TOTAL			
General Revenue Fund	1,288,521	1,201,633	1,201,633
Federal Funds	2,239	100,946	85,946
Other Funds	1,695,941	2,275,907	2,275,907
Total Full-time Equivalent Employees	63.41	70.11	70.11
General Revenue Fund	27.27	28.61	28.61
Federal Funds	0.00	1.00	1.00
Other Funds	36.14	40.50	40.50

The Division of Weights and Measures operates four regulatory programs and two laboratories to fulfill its goal of protecting consumers. The Device and Commodity Program inspects livestock market, grain elevator, vehicle, and small retail scales and scanning devices to ensure their accuracy. In addition, milk sales practices are monitored and shell eggs are inspected for quality.

The Petroleum/Propane/Anhydrous Ammonia Program protects consumers against inaccurate and unsafe gasoline pumps and unsafe practices by the retailer. In addition, they approve propane gas delivery truck and dispenser meters to prevent overcharges on fuel bills and oversee anhydrous ammonia fertilizer installations for safety.

The Metrology Laboratory certifies volume and weight standards used by device service repair technicians, maintains all mass and volume standards used for calibrating industry standards, and certifies all weighing and measuring devices used by the division's inspectors. In addition, the Moisture Meter Program protects Missouri farmers against unjustified discounts on grain sales due to inaccurate moisture content values.

The Fuel Quality Program and laboratory collect samples and perform chemical analyses on gasoline, diesel fuel, heating oil, and other fuels to ensure that octane and other quality specifications are met.

Fiscal Year 2011 Governor's Recommendations

- (\$15,000) Federal Budget Stabilization Fund core reduction for one-time expenditures.

**DEPARTMENT OF AGRICULTURE
MISSOURI STATE FAIR**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Fair	\$ 4,073,727	\$ 4,916,117	\$ 4,916,117
PERSONAL SERVICE			
General Revenue Fund	493,779	567,580	513,659
Other Funds	1,059,106	1,370,829	1,424,750
EXPENSE AND EQUIPMENT			
Other Funds	2,506,536	2,937,707	2,937,707
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	14,306	40,001	40,001
TOTAL			
General Revenue Fund	493,779	567,580	513,659
Other Funds	3,579,948	4,348,537	4,402,458
Total Full-time Equivalent Employees	58.86	63.38	63.38
General Revenue Fund	14.27	16.25	15.25
Other Funds	44.59	47.13	48.13

The Missouri State Fair is held annually in August on the state fairgrounds in Sedalia. The fair provides a showcase for livestock, agricultural products, commercial exhibits, and other displays. In addition, the fair offers a variety of entertainment and educational events. The fairgrounds are used during the rest of the year for exhibits, sales, meetings, competitions, and entertainment events.

Fiscal Year 2011 Governor's Recommendations

- \$53,921 State Fair Fees Fund and one staff to replace general revenue.
- (\$53,921) and (one) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF AGRICULTURE
STATE MILK BOARD**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Milk Board			
TOTAL	\$ 1,159,716	\$ 1,591,933	\$ 1,559,823
PERSONAL SERVICE			
General Revenue Fund	105,501	105,528	100,252
Other Funds	237,557	324,352	324,352
EXPENSE AND EQUIPMENT			
General Revenue Fund	16,898	19,046	17,712
Other Funds	119,698	365,447	339,947
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	680,062	777,560	777,560
TOTAL			
General Revenue Fund	122,399	124,574	117,964
Other Funds	1,037,317	1,467,359	1,441,859
Total Full-time Equivalent Employees	7.98	11.93	11.93
General Revenue Fund	2.69	2.13	2.13
Other Funds	5.29	9.80	9.80

The State Milk Board inspects, samples, and tests milk and milk products ensuring that they are wholesome and safe for consumption. The board operates both a Grade A Milk Inspection Program and a Manufacturing Grade Milk Inspection Program to ensure milk quality. An inspection fee of up to five cents per one hundred pounds of Grade A milk is assessed and deposited in the Milk Inspection Fees Fund to cover all costs of the Grade A Milk Inspection Program. The Manufacturing Grade Milk Inspection Program, which ensures sanitation and quality standards for milk used only for manufacturing dairy products (e.g. cheese, butter, and ice cream), is funded from general revenue because inspection fees have not been assessed on manufacturing grade milk producers. Approximately one-half of all Grade A milk is consumed as fluid milk with the remainder used for manufacturing purposes.

Fiscal Year 2011 Governor's Recommendations

- (\$25,500) Milk Inspection Fees Fund core reduction for one-time expenditures.
- (\$6,610) core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF NATURAL RESOURCES

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Department Operations	\$ 5,178,394	\$ 5,596,697	\$ 5,596,697	\$ 5,363,538
Division of Energy	12,268,710	9,434,994	10,976,229	10,976,229
Environmental Programs	276,715,979	229,753,778	226,592,394	225,826,011
Division of Geology and Land Survey	3,058,162	3,613,485	3,613,485	3,613,485
Division of State Parks	33,860,484	38,765,095	35,920,662	35,920,662
Historic Preservation	2,054,536	4,319,662	4,319,662	3,122,162
Agency-Wide Implementation	24,572,839	26,374,654	26,156,154	26,192,863
Environmental Improvement and Energy Resources Authority	0	1	1	1
DEPARTMENTAL TOTAL	\$ 357,709,104	\$ 317,858,366	\$ 313,175,284	\$ 311,014,951
General Revenue Fund	13,012,877	12,053,568	11,933,303	9,772,970
Federal Budget Stabilization Fund	0	730,364	0	0
Federal Funds	34,242,849	42,629,014	44,426,749	44,426,749
Other Funds	310,453,378	262,445,420	256,815,232	256,815,232
Total Full-time Equivalent Employees	1,805.94	1,795.56	1,795.56	1,782.06
General Revenue Fund	166.82	146.54	146.54	133.04
Federal Funds	356.64	377.38	414.80	414.80
Other Funds	1,282.48	1,271.64	1,234.22	1,234.22

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$311 million for the Department of Natural Resources. The department preserves, protects, and enhances Missouri's natural, cultural, and energy resources. The core functions provided by the Department of Natural Resources include:

- Managing Missouri's state parks and cultural and historical resources.
- Protecting Missouri's water resources by enforcing state and federal environmental laws.
- Overseeing environmental programs that improve air quality and safely manage hazardous and solid waste.
- Helping landowners conserve fertile topsoil.
- Investigating the state's geology to determine the character and availability of the state's natural resources.
- Providing centralized assistance on environmental regulation and energy efficiency measures for farmers, builders, and local governments.

**DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OPERATIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Department Operations TOTAL	\$ 5,178,394	\$ 5,596,697	\$ 5,363,538
PERSONAL SERVICE			
General Revenue Fund	660,447	531,105	297,946
Federal Funds	1,010,747	1,196,851	1,621,404
Other Funds	2,507,509	2,581,743	2,157,190
EXPENSE AND EQUIPMENT			
General Revenue Fund	144,209	148,669	148,669
Federal Funds	14,817	332,112	413,142
Other Funds	840,665	806,217	725,187
TOTAL			
General Revenue Fund	804,656	679,774	446,615
Federal Funds	1,025,564	1,528,963	2,034,546
Other Funds	3,348,174	3,387,960	2,882,377
Total Full-time Equivalent Employees	88.77	92.19	87.19
General Revenue Fund	14.04	14.50	9.50
Federal Funds	21.41	21.46	34.35
Other Funds	53.32	56.23	43.34

Department Operations is responsible for the development of statewide environmental and natural resource policies. Department Operations seeks to improve efficiency, drives customer-focused initiatives, ensures public participation in decision making, and attains results positively affecting the quality of water, air, land, energy, and recreational and cultural resources. Department Operations includes the Office of the Director, which handles department policy and legal work, and provides communications and administrative support. The Office of the Director manages the department's divisions, as well as the Water Resources Center, and the Soil and Water Conservation Program. The office represents Missouri before several regional and national organizations and agencies, including the U.S. Environmental Protection Agency and a regional river basin association. Also a part of Department Operations, the Division of Administrative Support handles budget development, financial resource allocations, accounting, internal auditing, human resources, procurement, grants management, and general services.

Fiscal Year 2011 Governor's Recommendations

- (\$233,159) and (five) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF NATURAL RESOURCES
DIVISION OF ENERGY**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Energy Operations	\$ 1,183,743	\$ 1,364,573	\$ 2,687,308
Division of Energy Services	<u>11,084,967</u>	<u>8,070,421</u>	<u>8,288,921</u>
TOTAL	\$ 12,268,710	\$ 9,434,994	\$ 10,976,229
PERSONAL SERVICE			
Federal Funds	658,889	743,076	1,921,419
Other Funds	370,069	400,692	404,828
EXPENSE AND EQUIPMENT			
Federal Funds	188,632	130,458	270,714
Other Funds	52,734	179,048	385,548
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	7,310,116	2,763,273	2,763,273
Other Funds	3,688,270	5,218,447	5,230,447
TOTAL			
Federal Funds	8,157,637	3,636,807	4,955,406
Other Funds	4,111,073	5,798,187	6,020,823
Total Full-time Equivalent Employees	21.94	24.00	48.00
Federal Funds	14.18	15.69	39.59
Other Funds	7.76	8.31	8.41

To foster and protect the state's environment, resources, and economic prosperity, the Division of Energy helps Missourians produce and use energy wisely, efficiently, and renewably.

Fiscal Year 2011 Governor's Recommendations

- \$1,322,735 federal funds and 24 staff to provide additional support for the division.
- \$218,500 federal and other funds reallocated from various programs.

**DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROGRAMS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Environmental Quality	\$ 25,210,194	\$ 27,324,103	\$ 46,445,250
Field Services	16,312,445	17,606,027	0
Inspection/Maintenance	938,990	1,332,416	0
Water Resources	2,475,680	3,258,487	3,710,833
Soil and Water Conservation	39,687,668	44,934,285	41,488,831
Environmental Financial Support	192,091,002	135,298,460	134,181,097
TOTAL	\$ 276,715,979	\$ 229,753,778	\$ 225,826,011
PERSONAL SERVICE			
General Revenue Fund	5,440,363	5,336,842	5,059,537
Federal Funds	12,131,801	13,169,573	13,094,328
Other Funds	18,240,474	18,260,293	19,649,448
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,802,060	3,194,068	2,584,725
Federal Funds	5,084,633	8,706,773	8,646,927
Other Funds	8,570,556	11,146,095	10,736,730
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	688,575	1,509	1,509
Federal Funds	4,481,270	12,111,141	11,380,777
Other Funds	218,276,247	157,827,484	154,672,030
TOTAL			
General Revenue Fund	9,930,998	8,532,419	7,645,771
Federal Funds	21,697,704	33,987,487	33,122,032
Other Funds	245,087,277	187,233,872	185,058,208
Total Full-time Equivalent Employees	864.49	859.46	881.96
General Revenue Fund	135.88	117.74	109.24
Federal Funds	293.93	310.69	309.32
Other Funds	434.68	431.03	463.40

ENVIRONMENTAL QUALITY

Water Protection Program – The division's Water Protection Program includes three branches—the Water Pollution Control Branch, the Drinking Water Branch, and the Financial Assistance Center. The Water Pollution Control Branch protects the quality of Missouri's groundwater, streams, and lakes, safeguarding these vital resources. This enhances agricultural production, forestry, fisheries, water-intensive manufacturing, water recreation, tourism, hunting, and fishing and ensures water is safe for human and animal consumption. The Public Drinking Water Branch ensures that all public drinking water systems provide clean and healthy drinking water for Missouri's citizens by ensuring that public water system construction and operation comply with the requirements of the federal Safe Drinking Water Act. The program oversees the proper construction of all wells, including water, oil and gas, exploration, heat pumps, and monitoring. The program also trains and certifies operators at Missouri's water supply and water treatment plants. The Financial Assistance Center administers the federal Clean Water and Drinking Water State Revolving Fund programs that provide low-interest loans and grants to Missouri communities for the construction of new, and the improvement of existing drinking water supply, wastewater treatment, and stormwater management systems.

Air Pollution Control Program – The Air Pollution Control Program (APCP) staff support the Air Conservation Commission, which develops policies to maintain and enhance the state's air quality for the protection of the public's health. Operating under the Clean Air Act's State Implementation Plans and Rules, the APCP reviews facility construction and operation permits to help ensure ambient air quality. Working with the department's regional office staff, the APCP identifies facilities that are not in compliance prior to pursuing any enforcement action. Collecting air quality and emission inventory data, the APCP provides benchmark data for Missouri air quality monitoring and planning. Through the state's vehicle emission inspection program, the APCP helps ensure that pollutant levels in the St. Louis area improve and meet federal health-based air standards. Staff also coordinate air pollution control activities with other programs in the division and local air pollution control agencies.

DEPARTMENT OF NATURAL RESOURCES ENVIRONMENTAL PROGRAMS

Hazardous Waste Program – State and federal law requires oversight of hazardous waste practices from the point of generation through final disposal to ensure the safe and legal handling of such materials. Together with required registration of hazardous waste generators, the program's manifest and quarterly reporting systems enable the program to identify the amount and types of waste generated, stored, containerized, transported off-site, and treated or otherwise disposed. The Hazardous Waste Program (HWP) also addresses abandoned or uncontrolled hazardous waste sites through preliminary assessments, site investigations, feasibility studies, remedial investigations, interim remedial measures, immediate removals, and long-term or final remedial actions. The HWP registers and regulates petroleum underground storage tanks; provides general and technical information concerning the installation, use, and closure of such systems; encourages compliance with underground storage tank law, regulations, and performance standards; and oversees corrective actions taken in response to leaks and other dangerously improper releases. In addition, the program provides oversight services for those who wish to voluntarily clean up contaminated properties, reviving them for productive use.

Solid Waste Management Program – The Solid Waste Management Program protects public health and the environment by requiring proper management of solid waste. The program encourages waste reduction, reuse, recycling, energy recovery, improved processing, and proper disposal. Implementing alternatives to the long-term storage of our waste will help to safeguard against landfill capacity shortages and will foster better use of our natural resources, including the otherwise productive land taken up to store our trash. Effectively regulating solid waste transportation, treatment, and storage through the implementation of solid waste management plans will help to minimize harmful land, water, and air pollution.

Land Reclamation Program – The Land Reclamation Program staff provide technical support for the Land Reclamation Commission. The commission regulates the surface mining of coal and other mineral commodities (such as barite, tar sands, clay, limestone, sand, and gravel) and provides for the reclamation of mined lands. Staff review mining and reclamation plans, issue permits that require security bonds to guarantee the reclamation of mined lands, and inspect sites to ensure reclamation performance. Program staff inventory and assess abandoned mined lands for health and pollution hazards to prioritize the reclamation of these abandoned areas.

Regional Offices – Regional Office activities support the implementation of the department's other environmental programs throughout the State of Missouri. Staff provide field inspections, compliance assistance, permit issuance, complaint investigations, and front-line troubleshooting, problem solving, and technical assistance on environmental issues and emergencies.

Environmental Services Program – the Environmental Services Program (ESP) supports the other programs in the department that need accurate scientific data for their work. The ESP performs field work, conducts monitoring, collects samples, and provides laboratory testing for environmental pollutants. The Environmental Emergency Response (EER) Section serves as the department's front line of defense to significant and imminent environmental emergencies and maintains a 24-hour EER Hotline.

Fiscal Year 2011 Governor's Recommendations

- \$870,786 federal funds and 16 staff to implement federal drinking water requirements.
- \$444,636 federal and other funds and eight staff to increase water pollution control project oversight and technical assistance.
- \$206,276 Solid Waste Management Fund-Scrap Tire Subaccount and three staff to enhance scrap tire disposal enforcement.
- \$17,714,245 and 325.17 staff reallocated from various program areas, including \$3,959,335 general revenue.
- (\$114,796) and (one) staff core reduction from the Fiscal Year 2010 appropriation level.

FIELD SERVICES

The Department of Natural Resources will merge the Field Services Division into the existing Division of Environmental Quality. This consolidation will generate savings through the elimination of 7.5 administrative positions and improve communication and coordination between statewide and regional environmental protection efforts.

Fiscal Year 2011 Governor's Recommendations

- Four staff reallocated from the Division of State Parks.
- (\$16,381,829) and (308.15) staff reallocated to the Division of Environmental Quality, including (\$3,959,335) general revenue.
- (\$554,428) and (four) staff reallocated to the Water Resources Center.
- (\$549,505) and (7.5) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$120,265) transferred to the Office of Administration for fringe benefits for new staff to manage the Missouri River water rights effort.

DEPARTMENT OF NATURAL RESOURCES ENVIRONMENTAL PROGRAMS

INSPECTION/MAINTENANCE

The Department of Natural Resources will merge the state's vehicle emission inspection program into the existing Division of Environmental Quality to improve communication and coordination between statewide and regional air pollution control efforts.

Fiscal Year 2011 Governor's Recommendations

- (\$1,332,416) Missouri Air Emission Reduction Fund and (17.02) staff reallocated to the Division of Environmental Quality.

WATER RESOURCES

To meet Missouri's comprehensive water needs, Water Resources hydrologists, geologists and other staff investigate and monitor surface water and groundwater resource characteristics, availability, and use. Program responsibilities include (1) operating a statewide groundwater aquifer-monitoring network with real-time water quantity data; (2) collecting and analyzing surface-water flow data to safeguard against flood and drought; (3) providing guidance and technical assistance for development of sustainable regional water supplies throughout Missouri; (4) administering the provisions of the Missouri Dam and Reservoir Safety Law through registration, construction permits, and inspections; and (5) defending the state's vital water interests in the Missouri River, the Mississippi River, and other interstate water resources, before federal and interstate water resource management authorities.

Fiscal Year 2011 Governor's Recommendations

- \$554,428 and four staff reallocated from the Field Services Division.
- (\$102,082) core reduction from the Fiscal Year 2010 appropriation level.

SOIL AND WATER CONSERVATION

The Soil and Water Conservation Program implements the policies of the Soil and Water Districts Commission to ensure the long-term productivity of Missouri's most basic resource, the soil. Department staff aid Missouri's local soil and water conservation districts and administer several soil conservation programs funded by one-half of the constitutionally authorized one-tenth of one percent dedicated sales tax. Soil and Water Sales Tax funded programs include (1) cost-sharing grants to help farmers implement approved soil conservation practices; (2) financial assistance for landowners for the purchase of approved conservation equipment; (3) grants to local districts for administrative expenses and technical assistance; (4) special incentives for intensive conservation measures in critical areas; and (5) grants for research on soil conservation problems.

Fiscal Year 2011 Governor's Recommendations

- (\$3,445,454) Soil and Water Sales Tax Fund core reduction from the Fiscal Year 2010 appropriation level.

ENVIRONMENTAL FINANCIAL SUPPORT

The department administers a variety of funds for local governments and others to combat air pollution, clean up abandoned and uncontrolled hazardous waste sites, reclaim abandoned mine lands, monitor and test drinking water supplies, and construct or improve water and wastewater facilities.

Fiscal Year 2011 Governor's Recommendations

- (\$730,364) Federal Budget Stabilization Fund core reduction for one-time expenditures.
- (\$386,999) Solid Waste Management Fund-Scrap Tire Subaccount core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF NATURAL RESOURCES
DIVISION OF GEOLOGY AND LAND SURVEY**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Geology and Land Survey TOTAL	\$ 3,058,162	\$ 3,613,485	\$ 3,613,485
PERSONAL SERVICE			
General Revenue Fund	720,593	591,410	591,410
Federal Funds	583,090	650,916	700,916
Other Funds	1,176,579	1,442,927	1,392,927
EXPENSE AND EQUIPMENT			
General Revenue Fund	137,655	107,594	107,594
Federal Funds	133,896	371,045	371,045
Other Funds	306,349	449,593	449,593
TOTAL			
General Revenue Fund	858,248	699,004	699,004
Federal Funds	716,986	1,021,961	1,071,961
Other Funds	1,482,928	1,892,520	1,842,520
Total Full-time Equivalent Employees	63.01	67.75	67.75
General Revenue Fund	16.90	14.30	14.30
Federal Funds	14.06	15.16	16.16
Other Funds	32.05	38.29	37.29

Headquartered in Rolla, Missouri, the Division of Geology and Land Survey investigates the state's geology, providing geologic and hydrologic information and expertise to aid economic and environmental decision-making regarding site remediations, contaminant migration, subsurface investigations, and geologic hazards. The division also determines the character and availability of the state's water and mineral resources. The division is responsible for restoring and maintaining the U.S. Public Land Survey System in Missouri and serves as a repository for the state's land survey records. Division management represents the state through the Association of American State Geologists and the Central U.S. Earthquake Consortium.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF NATURAL RESOURCES
DIVISION OF STATE PARKS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Parks Operation			
TOTAL	\$ 33,860,484	\$ 38,765,095	\$ 35,920,662
PERSONAL SERVICE			
Federal Funds	120,210	108,055	151,399
Other Funds	22,323,497	23,297,190	20,757,457
EXPENSE AND EQUIPMENT			
Federal Funds	26,210	206,306	206,306
Other Funds	9,460,382	12,709,510	12,361,466
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,830,185	2,324,034	2,324,034
Other Funds	100,000	120,000	120,000
TOTAL			
Federal Funds	1,976,605	2,638,395	2,681,739
Other Funds	31,883,879	36,126,700	33,238,923
Total Full-time Equivalent Employees	733.63	715.71	660.71
Federal Funds	2.33	3.77	4.77
Other Funds	731.30	711.94	655.94

The Division of State Parks manages the many recreational, cultural, and historical resources of the Missouri state parks system. The division also administers programs to promote outdoor recreation statewide.

Missouri's state parks system consists of 85 state parks and historic sites, as well as the Roger Pryor Pioneer Backcountry. The system is divided into five district offices, with each of the district headquarters reporting to the Central Office in Jefferson City. Administrative, maintenance, and service personnel manage the lands and improvements, provide recreational and educational programs for visitors, and provide necessary law enforcement. Funding provided by the constitutionally authorized one-tenth of one percent Parks and Soils Sales Tax has been used for projects such as campground remodeling; the addition of shower houses and restrooms; paving of roads within campgrounds; restoration of landscapes; and additional personnel for maintenance, education, and site interpretation. The Parks and Soils Sales Tax provides continued restoration and improvement of the state parks system and allows division staff to better serve the millions of people who visit parks and historic sites each year.

Central Office administration directs and coordinates the management of the state parks system. Responsibilities include personnel management, budget and policy development, and the evaluation of management procedures and performance. Central Office staff provide logistical support to the individual state parks, and operate the central sign shop, central warehouse, and aerial device unit. Staff also identify unique natural areas which may require protection; conduct special studies related to parks operations and development; and prepare site, architectural, and engineering plans and maps.

The division also assists the State Inter-Agency Council for Outdoor Recreation in the administration of grants that finance outdoor recreation projects.

Fiscal Year 2011 Governor's Recommendations

- (\$2,844,433) other funds and (51) staff core reduction from the Fiscal Year 2010 appropriation level, to reflect the reduction in revenue from the dedicated sales tax.
- (Four) staff reallocated to the Field Services Division.

**DEPARTMENT OF NATURAL RESOURCES
HISTORIC PRESERVATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Historic Preservation TOTAL	\$ 2,054,536	\$ 4,319,662	\$ 3,122,162
PERSONAL SERVICE			
Federal Funds	357,670	386,019	401,319
Other Funds	264,281	321,548	306,248
EXPENSE AND EQUIPMENT			
General Revenue Fund	42,000	0	0
Federal Funds	43,719	68,746	68,746
Other Funds	27,225	48,606	48,606
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	873,000	1,697,500	500,000
Federal Funds	76,498	90,000	90,000
Other Funds	370,143	1,707,243	1,707,243
TOTAL			
General Revenue Fund	915,000	1,697,500	500,000
Federal Funds	477,887	544,765	560,065
Other Funds	661,649	2,077,397	2,062,097
Total Full-time Equivalent Employees	16.23	18.25	18.25
Federal Funds	9.37	10.61	10.61
Other Funds	6.86	7.64	7.64

The State Historic Preservation Office helps identify and preserve historic properties and cultural resources throughout the state, administers grants and loans to support preservation efforts, and provides technical assistance to taxpayers in qualifying for historic preservation tax credits.

Fiscal Year 2011 Governor's Recommendations

- (\$1,197,500) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF NATURAL RESOURCES
AGENCY-WIDE IMPLEMENTATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Homeland Security Federal Grants	\$ 190,466	\$ 0	\$ 0
Natural Resources Revolving Services Fund	2,896,815	3,344,744	3,126,244
Sales Tax Reimbursement to General Revenue	187,568	203,000	203,000
Petroleum Storage Tank Insurance Fund Board	1,424,553	2,291,351	2,291,351
Petroleum Storage Tank Insurance Fund Claims	18,718,041	19,000,000	19,000,000
Petroleum Related Activities	651,421	1,089,688	1,089,688
Minority Scholarships	28,975	0	0
Jobs Now Projects	0	1,000	1,000
Clarence Cannon Transfer	475,000	444,871	481,580
TOTAL	\$ 24,572,839	\$ 26,374,654	\$ 26,192,863
PERSONAL SERVICE			
Federal Funds	64,162	0	0
Other Funds	674,196	1,117,613	1,117,613
EXPENSE AND EQUIPMENT			
Federal Funds	51,767	0	0
Other Funds	6,926,852	6,856,170	6,537,670
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	503,975	444,871	481,580
Federal Funds	74,537	1,000	1,000
Other Funds	16,277,350	17,955,000	18,055,000
TOTAL			
General Revenue Fund	503,975	444,871	481,580
Federal Funds	190,466	1,000	1,000
Other Funds	23,878,398	25,928,783	25,710,283
Total Full-time Equivalent Employees	17.87	18.20	18.20
Federal Funds	1.36	0.00	0.00
Other Funds	16.51	18.20	18.20

A number of issues are multi-faceted and require resources and expertise from several divisions within the Department of Natural Resources. To deal effectively with these issues, the department consolidated these operations agency wide.

Fiscal Year 2011 Governor's Recommendations

- \$36,709 for increased payments to the Corps of Engineers for engineering and maintaining Clarence Cannon Dam to secure local water supply storage capacity in Mark Twain Lake.
- (\$218,500) Natural Resources Revolving Services Fund reallocated to the Division of Energy.

**DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Environmental Improvement and Energy Resources Agency TOTAL	\$ 0	\$ 1	\$ 1
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	1	1
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Environmental Improvement and Energy Resources Authority, under Chapter 260, RSMo, is an independent, self-supporting, quasi-governmental agency assigned to the Missouri Department of Natural Resources.

Due to the special independent status as "a body corporate and politic," the authority is able to issue tax-exempt bonds and utilize fees charged for issuance of its bonds and notes. The authority is empowered to conduct environmental and energy research and development activities; develop alternative methods of financing environmental and energy projects; and assist Missouri communities, organizations, and businesses in obtaining low-cost funds and other financial assistance for projects related to the authority purpose.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF CONSERVATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Conservation Programs				
DEPARTMENTAL TOTAL	\$ 132,541,287	\$ 145,534,841	\$ 145,534,841	\$ 145,534,841
PERSONAL SERVICE	78,434,863	86,516,702	86,516,702	86,516,702
EXPENSE AND EQUIPMENT	46,422,463	49,434,276	49,434,276	49,434,276
PROGRAM SPECIFIC DISTRIBUTION	7,683,961	9,583,863	9,583,863	9,583,863
TOTAL				
Conservation Commission Fund	132,541,287	145,534,841	145,534,841	145,534,841
Total Full-time Equivalent Employees	1,810.91	1,843.81	1,843.81	1,843.81
Other Funds	1,810.91	1,843.81	1,843.81	1,843.81

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$145.5 million for the Department of Conservation to support its mission to protect and manage the fish and wildlife resources of Missouri. In 1976, Missouri voters endorsed a measure authorizing a one-eighth of one-cent sales tax to provide for conservation services. This dedicated funding source has helped foster abundant fish, wildlife, forestry, and water resources for generations of Missourians. The department will continue to serve the public responsibly, to facilitate the public's participating in resource management activities, and to provide an opportunity for all citizens to use, enjoy, and learn about Missouri's natural treasures.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF ECONOMIC DEVELOPMENT

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Business and Community Services	\$ 74,450,066	\$ 122,171,693	\$ 124,579,117	\$ 64,914,191
Workforce Development	137,722,683	167,109,729	169,971,129	172,387,190
Division of Tourism	20,978,329	23,674,810	23,674,810	20,437,576
Film Commission	235,000	247,000	247,000	216,900
Affordable Housing	4,597,134	5,136,428	5,170,462	5,170,462
Utility Regulation	14,528,847	16,351,138	16,697,558	16,269,404
Administrative Services	<u>2,073,315</u>	<u>3,357,007</u>	<u>3,357,007</u>	<u>3,341,262</u>
DEPARTMENTAL TOTAL	\$ 254,585,374	\$ 338,047,805	\$ 343,697,083	\$ 282,736,985
General Revenue Fund	57,094,015	55,133,360	62,176,180	61,403,533
Federal Funds	140,241,150	198,991,112	199,191,112	164,191,113
Federal Budget Stabilization Fund	0	18,565,679	16,591,683	0
Other Funds	57,250,209	65,357,654	65,738,108	57,142,339
Total Full-time Equivalent Employees	846.38	976.37	992.37	976.37
General Revenue Fund	70.09	71.32	77.32	71.32
Federal Funds	510.75	618.91	618.91	618.91
Other Funds	265.54	286.14	296.14	286.14

DEPARTMENT SUMMARY

The keys to Missouri's recovery from the current economic recession are: 1) job creation and new capital investment through the retention and expansion of existing Missouri companies and the recruitment of new job opportunities; 2) the development of a skilled, motivated, and productive workforce; 3) support for the development of innovative and high tech next generation industries; and 4) leveraging state and federal funds for community development.

Governor Nixon has recommended a plan to bring more science and technology companies to Missouri, the Missouri Science and Innovation Reinvestment Act (MOSIRA). This initiative will provide a stable source of funding to attract and retain high-tech scientific and research jobs to the state. In addition, the Governor's budget proposal provides increased resources for customized training to assist Missouri businesses. These additional resources are focused on areas that will help move Missouri's economy forward.

The Fiscal Year 2011 budget provides \$282.8 million for the Department of Economic Development, to provide job training and related services to Missourians, and to develop new or expanded business opportunities to facilitate economic growth. Core functions provided by the Department of Economic Development include:

- Designing and administering job training and re-training programs to provide prospective employers with a qualified and productive workforce, and to provide unemployed or displaced workers with needed skills and opportunities.
- Facilitating location options, expansion, retention, or start-up of businesses to help create and retain high-quality employment opportunities for Missourians.
- Administering tax credit programs designed to assist with business recruitment, workforce training, and other economic growth opportunities.
- Oversight and regulation of public utility companies to ensure Missourians receive reliable and safe services at reasonable rates.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
BUSINESS AND COMMUNITY SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri Economic Research and Information Center	\$ 1,554,821	\$ 2,159,107	\$ 1,928,987
Marketing	3,344,842	4,414,229	4,399,229
Sales	1,355,887	1,535,333	1,519,337
Finance	977,815	1,194,556	1,194,556
Compliance	660,342	811,740	1,003,778
Small Business Development Centers	485,000	500,000	0
Community Development Block Grant Program	23,222,565	28,000,000	28,000,000
Flood Recovery Assistance	0	35,000,000	0
Missouri Technology Investment	2,756,909	4,352,693	2,778,697
Community Redevelopment and Assistance	11,315,976	16,300,834	13,866,406
Arts and Cultural Development	7,895,883	14,603,201	5,223,201
Life Sciences Research	20,880,026	13,300,000	5,000,000
TOTAL	\$ 74,450,066	\$ 122,171,693	\$ 64,914,191
PERSONAL SERVICE			
General Revenue Fund	2,067,283	1,930,119	1,899,123
Federal Funds	2,127,967	2,884,976	2,884,976
Other Funds	304,577	699,666	699,666
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,447,927	1,512,436	1,474,354
Federal Funds	579,132	1,130,857	1,130,857
Other Funds	1,936,933	2,951,387	2,951,387
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	18,820,441	27,328,455	17,592,722
Federal Funds	25,938,905	70,182,782	31,030,091
Other Funds	21,226,901	13,551,015	5,251,015
TOTAL			
General Revenue Fund	22,335,651	30,771,010	20,966,199
Federal Funds	28,646,004	74,198,615	35,045,924
Other Funds	23,468,411	17,202,068	8,902,068
Total Full-time Equivalent Employees	115.37	138.84	138.84
General Revenue Fund	50.21	45.87	45.87
Federal Funds	51.08	67.08	67.08
Other Funds	14.08	25.89	25.89

The Business and Community Services Division consists of the Missouri Economic Research and Information Center (MERIC), Marketing, Sales, Finance, and Compliance Teams. The division promotes Missouri as a great place to do business and helps create an environment that will stimulate jobs and new private investment. Other services include various programs aimed at investing in Missouri's communities to allow for future sustainable growth and to increase opportunities for new local and state revenues.

MISSOURI ECONOMIC RESEARCH AND INFORMATION CENTER (MERIC)

MERIC is the research division for the Missouri Department of Economic Development. This section provides innovative analyses and assistance to policymakers and the public, including studies of the state's targeted industries and economic development initiatives. Other MERIC research includes Economic Condition Reports, Economic Impact Assessments, and Labor Market Information produced in cooperation with the U.S. Department of Labor.

Fiscal Year 2011 Governor's Recommendations

- (\$230,120) federal funds and (five) staff reallocated to the Compliance Team.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

MARKETING

The Marketing Team produces print and media materials to market the state. The team markets Missouri's existing businesses and supports the Missouri Partnership at the national and international level to increase opportunities to bring more business to Missouri.

Fiscal Year 2011 Governor's Recommendations

- (\$15,000) core reduction from the Fiscal Year 2010 appropriation level.

SALES

The Sales Team provides individualized customer service, through regional, international, and industry specialization, to businesses considering locating or expanding within the state. Sales Team staff work to develop export promotion opportunities for Missouri businesses to take their products and services to key world markets.

Fiscal Year 2011 Governor's Recommendations

- (\$15,996) core reduction from the Fiscal Year 2010 appropriation level.

FINANCE

The Finance Team administers the tax incentive programs offered by the department.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

COMPLIANCE

The Compliance Team assures accountability for each program by assessing the operations. The team conducts file reviews, on-site monitoring, eligibility determinations, and assures necessary clawbacks are pursued. The Compliance Team works proactively with the Finance Team to assure compliance standards are met for all programs.

Fiscal Year 2011 Governor's Recommendations

- \$230,120 federal funds and five staff reallocated from the Missouri Economic Research and Information Center (MERIC).
- (\$38,082) core reduction from the Fiscal Year 2010 appropriation level.

SMALL BUSINESS AND TECHNOLOGY DEVELOPMENT CENTERS

Missouri Small Business and Technology Development Centers (SBTDCs) assist small businesses through counseling, training programs, research, and other resources. Thirteen offices throughout the state assist business owners through individualized counseling, marketing strategies, small business management, financial analysis, and access to technology. State resources provided to the SBTDCs support the Missouri Federal and State Technology Partnership Program (MoFAST). Through the MoFAST Program, counselors at the SBTDCs provide assistance to start-up and small Missouri technology businesses in order to attract government research and development awards.

Fiscal Year 2011 Governor's Recommendations

- (\$500,000) reallocated for the MoFAST Program.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant Program provides grants to non-entitlement cities and counties for community development activities that: (1) benefit at least 51 percent low and moderate income persons; (2) eliminate slum and blight; or (3) meet urgent threats to health and safety. Typical projects include infrastructure expansion, downtown revitalization, housing rehabilitation, housing financing, Americans with Disabilities Act accessibility improvements, and community facility projects.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

FLOOD RECOVERY ASSISTANCE

The federal Flood Recovery Assistance funds are a result of flood relief funds allocated by Congress for the upper Midwest states following the Presidential declaration of a disaster area.

Fiscal Year 2011 Governor's Recommendations

- (\$35,000,000) federal funds core reduction from the Fiscal Year 2010 appropriation level.

MISSOURI TECHNOLOGY INVESTMENT

The Missouri Technology Investment Fund supports business modernization, technology application, technology commercialization, and technology development. The following programs are supported by the Missouri Technology Investment Fund.

Missouri Manufacturing Extension Partnership – The partnership provides business and technical assistance to the state's small and medium size manufacturers. The assistance enables the manufacturers to become and remain competitive by retaining existing jobs and creating new jobs. The Missouri Manufacturing Extension Partnership is a public-private partnership including the U.S. Department of Commerce's National Institute of Standards and Technology and the University of Missouri System.

Innovation Centers – Innovation centers offer a wide range of management and technical assistance to technology-based businesses. Clients become a part of a network of state, federal, university, and private resources designed to develop and support high-growth businesses. Currently, centers are located in Rolla, Cape Girardeau, St. Louis, Kirksville, Joplin, Columbia, Springfield, Kansas City, Warrensburg, and St. Joseph.

Missouri Technology Corporation – The corporation promotes the modernization of business through the transfer of science, technology, and quality improvement methods to the workplace and enhances the productivity and competitiveness of Missouri's businesses by providing leadership and establishing methods of technology application, commercialization, and development.

Fiscal Year 2011 Governor's Recommendations

- \$2,378,695 to replace federal budget stabilization funds.
- \$500,000 reallocated from Small Business Development Centers for the MoFAST Program.
- (\$4,452,691) core reduction from the Fiscal Year 2010 appropriation level, including (\$100,000) general revenue.

COMMUNITY REDEVELOPMENT AND ASSISTANCE

Community Redevelopment and Assistance consists of the Missouri Community Service Commission, Missouri Small Business Regulatory Fairness Board, Missouri Military Preparedness and Enhancement Commission, Missouri Development Finance Board, and Missouri Main Street Program. These programs promote volunteerism and community services, monitor the impact of state regulations on small business, design and implement measures to retain and protect military posts or bases in Missouri, and administer a range of financing programs through revenue bonds, notes, and tax credits.

Fiscal Year 2011 Governor's Recommendations

- (\$2,434,428) core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

ARTS AND CULTURAL DEVELOPMENT

Missouri Arts Council – The Missouri Arts Council (MAC) provides accountability and oversight for the fair and equitable distribution of state and federal funds in support of the arts statewide. Funds are distributed on a matching-grant basis to Missouri nonprofit organizations through a competitive process with developed guidelines, evaluation criteria, and citizen advisory panel review. Grants are provided in specific arts discipline areas including dance, electronic media, literature, music, theatre, visual arts, folk arts, and for specific program areas including community arts, minority arts, festivals, arts education, touring performances, monthly strategic grants, and capacity building. MAC staff also provide assistance and expertise in arts and nonprofit management, community development, grant writing, fund raising, marketing, arts education, board development, and program development.

Missouri Humanities Council – The Missouri Humanities Council is the state affiliate of the National Endowment for the Humanities. The Missouri Humanities Council's mission is to help citizens of Missouri learn about the history, literature, and the ideas that shape democracy. Programs help communities understand and celebrate a shared history and assist local institutions in developing the capacity to engage the public in lifelong learning activities. The Missouri Humanities Council also provides on-site consulting and workshops to help local museums and cultural institutions organize ideas.

Public Television and Public Radio – Funds are distributed to Missouri public television and radio stations for operating assistance pursuant to Section 143.183, RSMo.

Fiscal Year 2011 Governor's Recommendations

- \$200,000 federal funds for the Missouri Arts Council for increased programs.
- (\$9,580,000) core reduction from the Fiscal Year 2010 appropriation level.

LIFE SCIENCES RESEARCH

The mission of the Life Sciences Research Board is to enhance the capacity of the state's ability to perform research to better serve the health and welfare of Missouri residents as a center of life sciences research and development by building on the success of research institutions located in Missouri, attracting new research and development institutions, commercializing the life sciences technologies developed by such institutions, and enhancing their capacity to carry out their respective missions.

Fiscal Year 2011 Governor's Recommendations

- (\$8,300,000) Life Sciences Research Trust Fund core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
WORKFORCE DEVELOPMENT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Workforce Development Administration	\$ 17,740,291	\$ 24,750,835	\$ 24,750,835
Workforce Programs	95,528,499	105,203,286	105,203,286
Missouri Job Development Fund	10,213,850	11,083,939	16,361,400
Women's Council	71,602	71,669	71,669
Jobs Retention Training Program	9,992,850	10,000,000	10,000,000
Missouri Community College New Jobs Training Program	4,175,591	16,000,000	16,000,000
TOTAL	\$ 137,722,683	\$ 167,109,729	\$ 172,387,190
PERSONAL SERVICE			
Federal Funds	15,257,134	21,452,565	21,452,565
Other Funds	197,290	0	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	0	53,368	53,368
Federal Funds	2,886,176	5,009,667	5,009,667
Other Funds	34,389	0	0
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	12,296,963	2,125,544	18,486,944
Federal Funds	92,500,811	112,153,585	101,069,646
Other Funds	14,549,920	26,315,000	26,315,000
TOTAL			
General Revenue Fund	12,296,963	2,178,912	18,540,312
Federal Funds	110,644,121	138,615,817	127,531,878
Other Funds	14,781,599	26,315,000	26,315,000
Total Full-time Equivalent Employees	455.74	540.72	540.72
Federal Funds	442.56	532.72	532.72
Other Funds	13.18	8.00	8.00

The Division of Workforce Development provides a well-balanced employment and training system, giving Missourians the opportunity to achieve their full career and employment potential through high-quality programs. Missouri employers also benefit from a more competitive and better-trained workforce. The Employment Services (Wagner-Peyser) Program offers a network of services delivered in a customer-focused environment to help people find and retain employment. Services include provision of labor market information, career counseling, testing, and job readiness training. Services also include assisting employers in meeting their employment needs by referring qualified workers for job openings and providing information to help plan for future workforce needs. The Employment Services Program is federally funded and administered by the Division of Workforce Development. These funds will benefit those Missourians who are changing careers, looking for their first job, unemployed, economically disadvantaged, school dropouts, and dislocated workers.

WORKFORCE DEVELOPMENT ADMINISTRATION

Workforce Investment Act funds, along with federal Employment Services Program funds, are administered by the Division of Workforce Development. These funds are intended to benefit all Missourians by providing services to dislocated workers, those who did not complete their high school educations, and others who are economically disadvantaged.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF ECONOMIC DEVELOPMENT WORKFORCE DEVELOPMENT

WORKFORCE PROGRAMS

The mission of the federal Workforce Investment Act Program is to serve Missourians by providing training and employment opportunities; establishing a flexible, coordinated, and decentralized training system; and coordinating these programs with other employment and training-related programs. The employment and training programs offered on a statewide basis include: Workforce Investment Act programs, the Trade Adjustment Assistance Program, Rapid Response Worker programs, and the Missouri Employment and Training Program. Individuals who meet eligibility requirements for the programs may access services to make them more competitive in the workforce. Historically, the Division of Workforce Development, along with local workforce investment areas, have provided a full range of services authorized under the Workforce Investment Act which are designed to prepare individuals with barriers to employment for the workforce. Services include referral to job openings, job readiness skill training, referral to classroom or employer training, as well as payment of support services such as transportation. In addition to the federal workforce programs, the Division of Workforce Development administers Missouri's three Industry Training Programs: the Missouri Customized Training Program (or Missouri Job Development Fund), the Community College New Jobs Training Program, and the Job Retention Training Program. These programs provide training assistance to eligible Missouri businesses for the purpose of creating and retaining jobs. They are operated through local educational agencies, primarily the community colleges. The Missouri Workforce Investment Board provides direction to the Division of Workforce Development on policies and procedures to ensure that local workforce investment area programs comply with Workforce Investment Act financial and program requirements.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI JOB DEVELOPMENT FUND

The Missouri Job Development Fund helps new and expanding businesses train Missouri's workforce.

Fiscal Year 2011 Governor's Recommendations

- \$11,083,939 to replace federal budget stabilization funds.
- \$2,416,061 to provide additional resources for the Customized Training Program.
- \$2,861,400 transferred from the Department of Elementary and Secondary Education for the Customized Training Program.
- (\$11,083,939) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

WOMEN'S COUNCIL

Through its meetings, staff support, and other activities, the Missouri Women's Council addresses the issues of expanding women's opportunities through education and training programs. The council works to increase occupational mobility in lower- and middle-employment levels, provides access to jobs with higher skill and managerial duties, promotes small business opportunities, and provides access to non-traditional skills through apprenticeships and vocational training. The council also prepares an annual state needs assessment to identify problem geographic areas; establishes long- and short-term goal statements; inventories current federal, state, local, and private programs relating to women's economic needs; and prepares plans to address those problem areas.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

JOB RETENTION TRAINING PROGRAM

Created by Sections 178.760-178.764, RSMo, the Job Retention Training Program provides an incentive for the retention of existing jobs by providing education and training to workers for expanding industries by community college districts.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI COMMUNITY COLLEGE NEW JOBS TRAINING

Created by Sections 178.892-178.896, RSMo, the Missouri Community College New Jobs Training Program provides an incentive for the creation of new jobs by providing education and training of workers for new or expanding industries by community college districts.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
DIVISION OF TOURISM**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Tourism Commission			
TOTAL	\$ 20,978,329	\$ 23,674,810	\$ 20,437,576
EXPENSE AND EQUIPMENT			
Other Funds	15,000	15,000	15,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	20,963,329	20,567,811	20,422,576
Federal Funds	0	3,091,999	0
TOTAL			
General Revenue Fund	20,963,329	20,567,811	20,422,576
Federal Funds	0	3,091,999	0
Other Funds	15,000	15,000	15,000
Total Full-time Equivalent Employees	38.95	41.00	41.00
Other Funds	38.95	41.00	41.00

The Division of Tourism promotes Missouri's tourist destinations and attractions with multi-media campaigns and direct marketing, a website, vacation guides, public relations efforts, and a cooperative marketing program. The Division of Tourism currently operates seven tourism welcome centers located at key entry points near the state's borders as well as seven affiliate welcome centers located throughout Missouri. The division is funded with a portion of the growth in tax revenues on tourism-oriented goods and services.

Fiscal Year 2011 Governor's Recommendations

- (\$3,237,234) core reduction from the Fiscal Year 2010 appropriation level, including (\$145,235) general revenue.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
FILM COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Film Commission			
TOTAL	\$ 235,000	\$ 247,000	\$ 216,900
PERSONAL SERVICE			
General Revenue Fund	0	97,480	87,732
EXPENSE AND EQUIPMENT			
General Revenue Fund	6,000	112,470	129,168
Federal Funds	0	37,050	0
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	229,000	0	0
TOTAL			
General Revenue Fund	235,000	209,950	216,900
Federal Funds	0	37,050	0
Total Full-time Equivalent Employees	0.00	2.00	2.00
General Revenue Fund	0.00	2.00	2.00

The Missouri Film Commission attracts film, television, cable, and video productions to Missouri and promotes the growth of the film and video production industry within Missouri.

Fiscal Year 2011 Governor's Recommendations

- \$16,698 to replace federal budget stabilization funds.
- (\$46,798) core reduction from the Fiscal Year 2010 appropriation level, including (\$9,748) general revenue.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
AFFORDABLE HOUSING**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri Housing Trust	\$ 4,182,815	\$ 4,450,000	\$ 4,450,000
Manufactured Housing Program	414,319	686,428	720,462
TOTAL	\$ 4,597,134	\$ 5,136,428	\$ 5,170,462
PERSONAL SERVICE	307,710	341,404	341,404
EXPENSE AND EQUIPMENT	57,177	145,089	179,123
PROGRAM SPECIFIC DISTRIBUTION	4,232,247	4,649,935	4,649,935
TOTAL			
Other Funds	4,597,134	5,136,428	5,170,462
Total Full-time Equivalent Employees	8.06	8.00	8.00
Other Funds	8.06	8.00	8.00

MISSOURI HOUSING TRUST

The Missouri Housing Trust is used to make grants to housing service providers to help meet the needs of very low income families and individuals. The Missouri Housing Development Commission administers the Missouri Housing Trust, which provides funding for a variety of housing needs, such as homeless prevention, rehabilitation or new construction of rental housing, rental assistance, and home repair. The Missouri Housing Trust is funded through a \$3 recording fee authorized in Section 56.319, RSMo.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MANUFACTURED HOUSING PROGRAM

Under the jurisdiction of the Public Service Commission, the staff of the Manufactured Housing Program oversee the annual registration of dealers and manufacturers of new manufactured homes and modular units, and home installers. Program staff enforce construction and safety standards, conduct code inspections, address consumer complaints, and enforce home set-up and tie-down requirements.

Fiscal Year 2011 Governor's Recommendations

- \$34,034 Manufactured Housing Fund for replacement vehicles.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
UTILITY REGULATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Office of Public Counsel	\$ 783,562	\$ 880,809	\$ 748,424
Public Service Commission	13,745,285	15,470,329	15,520,980
TOTAL	\$ 14,528,847	\$ 16,351,138	\$ 16,269,404
PERSONAL SERVICE			
General Revenue Fund	632,567	657,634	626,729
Other Funds	9,828,942	10,446,608	10,436,668
EXPENSE AND EQUIPMENT			
General Revenue Fund	150,995	223,175	121,695
Other Funds	3,916,343	5,023,721	5,084,312
TOTAL			
General Revenue Fund	783,562	880,809	748,424
Other Funds	13,745,285	15,470,329	15,520,980
Total Full-time Equivalent Employees	196.82	206.00	206.00
General Revenue Fund	11.69	12.00	12.00
Other Funds	185.13	194.00	194.00

OFFICE OF PUBLIC COUNSEL

The Office of Public Counsel is the state's consumer advocate involved in matters of utility ratemaking and regulation. Attorneys and technical staff analyze utility rate cases and provide testimony and cross-examination in hearings held before the Public Service Commission (PSC). The Public Counsel also has the right to appeal PSC cases through the court system.

Fiscal Year 2011 Governor's Recommendations

- (\$132,385) core reduction from the Fiscal Year 2010 appropriation level.

PUBLIC SERVICE COMMISSION

The PSC regulates the rates and practices of investor-owned gas, electric, water and sewer utilities, including safety, billing, and quality of service. It has limited regulatory authority over investor-owned telephone companies. The PSC also administers safety standards for the rural electric cooperatives and municipal gas systems, maintains a registry of state video service providers, and registers Voice-Over-Internet Protocol service providers. In addition, the PSC administers the provision of Relay Missouri service, which gives hearing-impaired citizens access to the telephone network.

Fiscal Year 2011 Governor's Recommendations

- \$54,651 Public Service Commission Fund for replacement vehicles.
- (\$4,000) Public Service Commission Fund core reduction for one-time expenditures.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
ADMINISTRATIVE SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administrative Services TOTAL	\$ 2,073,315	\$ 3,357,007	\$ 3,341,262
PERSONAL SERVICE			
General Revenue Fund	417,846	457,417	441,671
Federal Funds	815,259	1,150,275	1,150,275
Other Funds	300,404	567,537	567,537
EXPENSE AND EQUIPMENT			
General Revenue Fund	61,664	67,451	67,451
Federal Funds	131,649	434,957	434,957
Other Funds	342,376	651,291	651,291
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	4,117	28,078	28,079
Other Funds	0	1	1
TOTAL			
General Revenue Fund	479,510	524,868	509,122
Federal Funds	951,025	1,613,310	1,613,311
Other Funds	642,780	1,218,829	1,218,829
Total Full-time Equivalent Employees	31.44	39.81	39.81
General Revenue Fund	8.19	11.45	11.45
Federal Funds	17.11	19.11	19.11
Other Funds	6.14	9.25	9.25

The Administrative Services Division provides direction and guidance to the department through the Director's Office. Through policy development, legislative coordination, legal assistance, and communications (public information), the efforts of the divisions are aligned toward achieving consistency and efficiency. The division also provides centralized support services, including establishment and maintenance of financial systems, personnel functions, budget, and general services.

Fiscal Year 2011 Governor's Recommendations

- \$1 federal funds on an open-ended basis to maximize the state's access to and use of federal funds when they become available.
- (\$15,746) core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Administration and Insurance Operations	\$ 6,853,188	\$ 9,118,070	\$ 9,115,715	\$ 9,115,716
Market Conduct and Financial Examinations	3,533,948	4,219,866	4,219,866	4,219,866
Health Insurance Counseling	1,240,562	900,000	900,000	900,000
Division of Credit Unions	1,020,534	1,249,846	1,312,670	1,249,846
Division of Finance	5,861,019	7,202,886	7,086,544	7,086,544
Division of Professional Registration	11,946,573	13,968,171	14,782,832	14,567,069
DEPARTMENTAL TOTAL	\$ 30,455,824	\$ 36,658,839 *	\$ 37,417,627	\$ 37,139,041
Federal Funds	1,090,562	700,000	700,000	700,001
Other Funds	29,365,262	35,958,839	36,717,627	36,439,040
Total Full-time Equivalent Employees	501.73	545.15	552.15	550.15
Other Funds	501.73	545.15	552.15	550.15

* Does not include \$5,000 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Insurance, Financial Institutions and Professional Registration supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$37.1 million for the Department of Insurance, Financial Institutions and Professional Registration. The department protects consumers through oversight of the insurance industry, financial institutions, and licensed professionals. Despite the difficult economic times, the Fiscal Year 2011 budget not only continues the prior year funding level, it provides additional critical resources for consumer protection functions.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
ADMINISTRATION AND INSURANCE OPERATIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 6,710,640	\$ 8,922,792	\$ 8,920,437
Insurance Operations	142,548	195,278	195,279
TOTAL	\$ 6,853,188	\$ 9,118,070	\$ 9,115,716
PERSONAL SERVICE			
Other Funds	5,823,914	7,117,846	7,117,846
EXPENSE AND EQUIPMENT			
Other Funds	1,029,274	2,000,223	1,997,868
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	1	1
Other Funds	0	0	1
TOTAL			
Federal Funds	0	1	1
Other Funds	6,853,188	9,118,069	9,115,715
Total Full-time Equivalent Employees	131.23	161.00	161.00
Other Funds	131.23	161.00	161.00

ADMINISTRATION

Certain administrative functions such as policy development, legislative coordination, communications (public information), research, and accounting are centralized to provide more efficient services. Staff provides these functions centrally with the costs allocated based on usage to the appropriate divisions within the department.

INSURANCE OPERATIONS

Insurance staff is responsible for overseeing the insurance industry's compliance with Missouri insurance laws and regulations, and protecting the interests of Missouri insurance-buying consumers. Specific duties include licensing insurance producers (agents, brokers, and agencies), investigating consumer complaints, collecting over \$200 million in premium taxes paid by insurance companies, and providing information to around 30,000 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2011 Governor's Recommendations

- \$1 federal funds on an open-ended basis to maximize the state's access to and use of federal funds when they become available.
- (\$2,355) Insurance Dedicated Fund core reduction for one-time expenditures.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
MARKET CONDUCT AND FINANCIAL EXAMINATIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Market Conduct and Financial Examinations			
TOTAL	\$ 3,533,948	\$ 4,219,866	\$ 4,219,866
PERSONAL SERVICE	3,100,488	3,418,090	3,418,090
EXPENSE AND EQUIPMENT	433,460	801,776	801,776
TOTAL			
Other Funds	3,533,948	4,219,866	4,219,866
Total Full-time Equivalent Employees	43.27	44.50	44.50
Other Funds	43.27	44.50	44.50

The department conducts both financial and market conduct examinations. Financial examinations ensure insurance companies have sufficient reserves to pay consumer claims. Market conduct examinations of insurance companies serve to verify that policyholders and beneficiaries receive the full benefits from the contracts by which they and the insurer have agreed.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
HEALTH INSURANCE COUNSELING**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Health Insurance Counseling			
TOTAL	\$ 1,240,562	\$ 900,000	\$ 900,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,090,562	700,000	700,000
Other Funds	150,000	200,000	200,000
TOTAL			
Federal Funds	1,090,562	700,000	700,000
Other Funds	150,000	200,000	200,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The department provides counseling services through the CLAIM (Community Leaders Assisting the Insured of Missouri) Program. CLAIM provides counseling and educational activities to seniors on health insurance coverage and Medicare benefits. The program recruits sponsors and volunteers, develops and conducts volunteer training, publicizes the program, and maintains a toll-free number and website. Volunteers are recruited locally and community organizations such as hospitals, community centers, extension offices, or senior centers serve as cosponsors and provide space, supplies, and local publicity for the program.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF CREDIT UNIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Credit Unions			
TOTAL	\$ 1,020,534	\$ 1,249,846	\$ 1,249,846
PERSONAL SERVICE	897,304	1,126,071	1,126,071
EXPENSE AND EQUIPMENT	123,230	123,775	123,775
TOTAL			
Other Funds	1,020,534	1,249,846	1,249,846
Total Full-time Equivalent Employees	15.32	15.50	15.50
Other Funds	15.32	15.50	15.50

The Division of Credit Unions is responsible for the examination, supervision, chartering, merger, and liquidation of Missouri's state-chartered credit unions. The division also responds to consumer complaints against credit union services or operations. Missouri's 131 credit unions have approximately 1.2 million members and assets exceeding \$9.9 billion. Missouri ranks seventh in the nation in the number of state-chartered credit unions.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF FINANCE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Finance			
TOTAL	\$ 5,861,019	\$ 7,202,886	\$ 7,086,544
PERSONAL SERVICE	5,152,203	6,216,626	6,216,626
EXPENSE AND EQUIPMENT	706,766	985,260	868,918
PROGRAM SPECIFIC DISTRIBUTION	2,050	1,000	1,000
TOTAL			
Other Funds	5,861,019	7,202,886	7,086,544
Total Full-time Equivalent Employees	91.38	106.15	106.15
Other Funds	91.38	106.15	106.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 296 state-chartered banks, non-deposit trust companies, and savings and loan associations. The division also licenses and regulates consumer credit companies, credit services organizations, money order companies, and residential mortgage brokers. Primary objectives include ensuring the safety and soundness of these institutions and the monitoring of compliance with laws and regulations, thereby safeguarding the funds of depositors and maintaining public confidence in Missouri's financial system. Missouri ranks sixth in the nation in the number of state-chartered banks.

Fiscal Year 2011 Governor's Recommendations

- (\$116,342) Division of Finance Fund core reduction for one-time expenditures.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF PROFESSIONAL REGISTRATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 3,737,658	\$ 4,278,785	\$ 4,479,192
State Board of Accountancy	414,089	459,600	459,600
State Board of Architects, Professional Engineers, Land Surveyors and Landscape Architects	547,947	707,443	707,443
State Board of Chiropractic Examiners	106,316	149,567	149,567
Missouri Dental Board	559,181	635,009	635,009
State Board of Embalmers and Funeral Directors	103,569	145,393	568,844
State Board of Registration for the Healing Arts	2,328,853	2,506,569	2,481,609
State Board of Nursing	1,591,401	1,788,234	1,788,234
State Board of Optometry	25,809	42,043	42,043
State Board of Pharmacy	1,227,972	1,618,016	1,618,016
State Board of Podiatric Medicine	12,429	20,669	20,669
Missouri Real Estate Commission	900,717	1,214,991	1,214,991
Missouri Veterinary Medical Board	101,705	109,579	109,579
State Board of Cosmetology and Barber Examiners	288,927	292,273	292,273
TOTAL	\$ 11,946,573	\$ 13,968,171	\$ 14,567,069
 PERSONAL SERVICE	 7,865,984	 8,779,161	 8,956,963
EXPENSE AND EQUIPMENT	4,054,532	5,169,010	5,590,106
PROGRAM SPECIFIC DISTRIBUTION	26,057	20,000	20,000
TOTAL			
Other Funds	11,946,573	13,968,171	14,567,069
 Total Full-time Equivalent Employees	 220.53	 218.00	 223.00
Other Funds	220.53	218.00	223.00

The Division of Professional Registration is responsible for supporting 39 professional licensing boards and commissions in licensing and regulating the activities of over 400,000 Missourians representing 240 different trades and professions. The division serves and protects the public by providing an accessible, responsible, and accountable regulatory system to ensure that Missouri consumers benefit from competent practitioners. Each licensing entity licenses qualified professionals by ensuring that minimum requirements have been met. In addition, each entity must appropriately enforce standards through the inspection of facilities and the investigation of complaints.

Fiscal Year 2011 Governor's Recommendations

ADMINISTRATION

- \$177,802 Professional Registration Fees Fund and five staff for the State Board of Embalmers and Funeral Directors to implement Senate Bill 1 (2009).
- \$24,960 Professional Registration Fees Fund and one staff reallocated from State Board of Registration for the Healing Arts.
- (\$2,355) Professional Registration Fees Fund core reduction for one-time expenditures.

STATE BOARD OF ACCOUNTANCY

Continue funding at the current level.

STATE BOARD OF ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS AND LANDSCAPE ARCHITECTS

Continue funding at the current level.

STATE BOARD OF CHIROPRACTIC EXAMINERS

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF PROFESSIONAL REGISTRATION**

MISSOURI DENTAL BOARD

Continue funding at the current level.

STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

- \$423,451 Board of Embalmers and Funeral Directors Fund for the State Board of Embalmers and Funeral Directors to implement Senate Bill 1 (2009).

STATE BOARD OF REGISTRATION FOR THE HEALING ARTS

- (\$24,960) Board of Registration for Healing Arts Fund and (one) staff reallocated to Professional Registration Administration.

STATE BOARD OF NURSING

Continue funding at the current level.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

Continue funding at the current level.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

Continue funding at the current level.

MISSOURI VETERINARY MEDICAL BOARD

Continue funding at the current level.

STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS

Continue funding at the current level.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Department Administration	\$ 8,281,403	\$ 11,529,664	\$ 12,574,129	\$ 12,554,761
Labor and Industrial Relations Commission	831,080	988,235	988,235	988,235
Division of Labor Standards	1,936,306	2,981,427	2,981,427	2,854,891
Division of Workers' Compensation	77,967,322	75,816,290	75,931,290	75,931,290
Division of Employment Security	26,287,034	37,843,120	44,058,021	37,783,120
State Board of Mediation	116,031	121,568	121,568	121,568
Commission on Human Rights	1,526,020	1,697,902	1,692,507	1,624,008
DEPARTMENTAL TOTAL	\$ 116,945,196	\$ 130,978,206 *	\$ 138,347,177	\$ 131,857,873
General Revenue Fund	2,371,808	2,254,942	2,429,942	2,215,539
Federal Funds	32,356,369	47,167,731	54,369,167	47,967,730
Tort Victims Compensation Fund	2,420,351	105,000	105,000	105,000
Workers' Compensation Fund	10,801,547	11,910,737	11,903,272	12,029,808
Second Injury Fund	66,884,607	66,574,927	66,574,927	66,574,927
War on Terror Unemployment Compensation Fund	0	90,000	90,000	90,000
Child Labor Enforcement Fund	50,242	185,000	185,000	185,000
Special Employment Security Bond Proceeds Fund	0	1	1	1
Special Employment Security Fund	2,060,272	2,489,868	2,489,868	2,489,868
Unemployment Automation Fund	0	200,000	200,000	200,000
Total Full-time Equivalent Employees	763.03	831.86	1,006.86	827.86
General Revenue Fund	42.03	36.71	36.71	33.71
Federal Funds	553.33	616.60	792.85	615.85
Other Funds	167.67	178.55	177.30	178.30

* Does not include \$175,000 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Labor and Industrial Relations supplemental appropriations.

DEPARTMENT SUMMARY

Governor Nixon's proposed budget for the Department of Labor and Industrial Relations provides adequate funding to ensure that the department will be able to protect workers' rights, as well as their health and safety and for those who lose their jobs in these difficult economic times. The department is committed to distributing unemployment benefits and other assistance in a timely manner.

The Fiscal Year 2011 budget provides \$131.9 million for the Department of Labor and Industrial Relations. The department provides services that promote economic security and safe and healthy workplaces, and protects wage earners and individuals against discrimination.

The core functions provided by the Department of Labor and Industrial Relations include:

- Processing and awarding payment of compensation to those who are unemployed, injured at work, or victims of crime.
- Ensuring safe and healthy workplaces for Missouri employees through on-site inspections that identify hazards to be corrected in the workplace.
- Protecting wage earners and individuals against discrimination by improving workplace conditions and enforcing labor and anti-discrimination laws.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DEPARTMENT ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Director and Staff	\$ 1,641,726	\$ 1,300,001	\$ 1,764,701
Administrative Services	<u>6,639,677</u>	<u>10,229,663</u>	<u>10,790,060</u>
TOTAL	\$ 8,281,403	\$ 11,529,664	\$ 12,554,761
PERSONAL SERVICE			
Federal Funds	0	1	1
EXPENSE AND EQUIPMENT			
Federal Funds	1,641,726	1,300,000	1,764,700
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	495,514	409,670	393,226
Federal Funds	4,440,227	7,725,360	8,236,027
Other Funds	1,703,936	2,094,633	2,160,807
TOTAL			
General Revenue Fund	495,514	409,670	393,226
Federal Funds	6,081,953	9,025,361	10,000,728
Other Funds	1,703,936	2,094,633	2,160,807
Total Full-time Equivalent Employees	50.94	48.00	49.90
Federal Funds	50.94	48.00	49.90

The Director's Office provides leadership and supervision in the areas of policy, operation, and interagency coordination/cooperation. Functions centralized within the Director's Office include: administrative services, financial management, human resources, legislative and public relations, research and analysis, and legal services. While appropriation authority for the department administration appears in this section, the funds for Executive Budget purposes appear in the other divisions of the department.

Fiscal Year 2011 Governor's Recommendations

- \$574,370 federal and other funds increased transfer to the Department of Labor and Industrial Relations Administrative Fund for information technology services provided by the Office of Administration.
- \$464,700 federal funds reallocated to pay mailing charges.
- \$5,395 and .9 staff reallocated from various divisions, including \$2,924 general revenue.
- (\$19,368) and (one) staff core reduction from the Fiscal Year 2010 appropriation level.
- Two staff reallocated from various divisions.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
LABOR AND INDUSTRIAL RELATIONS COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Industrial Commission			
TOTAL	\$ 831,080	\$ 988,235	\$ 988,235
PERSONAL SERVICE			
General Revenue Fund	9,023	8,544	10,680
Federal Funds	358,055	364,670	374,326
Other Funds	416,609	481,215	469,423
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,882	1,338	1,673
Federal Funds	19,442	57,108	58,620
Other Funds	24,069	75,360	73,513
TOTAL			
General Revenue Fund	12,905	9,882	12,353
Federal Funds	377,497	421,778	432,946
Other Funds	440,678	556,575	542,936
Total Full-time Equivalent Employees	12.64	14.00	14.00
General Revenue Fund	0.24	0.41	0.41
Federal Funds	5.26	5.50	5.75
Other Funds	7.14	8.09	7.84

The three-member Labor and Industrial Relations Commission reviews appeals from all decisions and awards in workers' compensation, unemployment compensation, prevailing wage, victims of crime compensation, and tort victims compensation cases at the highest administrative level. The commission conducts hearings and renders written opinions. The commission's opinions are subject to review by the judiciary. The commission is also charged with the statutory authority to approve or disapprove all rules and regulations promulgated by the divisions within the department.

Fiscal Year 2011 Governor's Recommendations

- \$11,168 federal funds reallocated for realignment of the federal cost allocation plan.
- \$2,471 reallocated from the Commission on Human Rights.
- (\$13,639) Workers' Compensation Fund reallocated for realignment of the federal cost allocation plan.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 1,089,803	\$ 1,390,726	\$ 1,390,726
Safety and Health Program	677,205	1,165,536	1,039,000
Mine Safety and Health Training Program	169,298	425,165	425,165
TOTAL	\$ 1,936,306	\$ 2,981,427	\$ 2,854,891
PERSONAL SERVICE			
General Revenue Fund	993,025	976,836	872,423
Federal Funds	528,258	1,003,466	885,198
Other Funds	63,092	95,000	213,268
EXPENSE AND EQUIPMENT			
General Revenue Fund	76,014	96,047	73,924
Federal Funds	191,379	496,912	488,644
Other Funds	84,538	313,166	321,434
TOTAL			
General Revenue Fund	1,069,039	1,072,883	946,347
Federal Funds	719,637	1,500,378	1,373,842
Other Funds	147,630	408,166	534,702
Total Full-time Equivalent Employees	38.67	44.00	43.00
General Revenue Fund	23.80	20.00	19.00
Federal Funds	13.51	22.00	21.00
Other Funds	1.36	2.00	3.00

State statutes require the Division of Labor Standards to assure the safety and health of Missouri workers. To reduce deaths and disabling injuries, staff conduct regular and special on-site inspections of businesses, industries, and commercial mines and caves. To ensure compliance with statutory provisions governing wage rates for public works projects, the division surveys prevailing wage rates for laborers, mechanics, and other workers employed in the construction industry. The division conducts on-site inspections to assure compliance with Missouri's Child Labor Law. Also, the division provides safety and health training classes for mine operators and miners. All miners, whether surface or underground, are required by federal law to complete a minimum number of hours in training before beginning work and annually thereafter. The division provides on-site safety and health consultations to businesses and industrial facilities by qualified professional consultants to identify serious hazards and recommend means for eliminating them. Private employers are not charged for this service. The division performs these consultations upon employer requests.

Fiscal Year 2011 Governor's Recommendations

- (\$126,536) and (one) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 8,662,512	\$ 9,141,363	\$ 9,256,363
Second Injury Benefits	66,884,607	66,574,927	66,574,927
Tort Victims Compensation Payments	2,420,203	100,000	100,000
TOTAL	\$ 77,967,322	\$ 75,816,290	\$ 75,931,290
PERSONAL SERVICE			
Other Funds	7,801,061	7,675,848	7,615,848
EXPENSE AND EQUIPMENT			
Other Funds	826,277	1,414,515	1,414,515
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	0	175,000
Other Funds	69,339,984	66,725,927	66,725,927
TOTAL			
General Revenue Fund	0	0	175,000
Other Funds	77,967,322	75,816,290	75,756,290
Total Full-time Equivalent Employees	149.37	150.25	149.25
Other Funds	149.37	150.25	149.25

ADMINISTRATION

The Division of Workers' Compensation processes all reports of job-related injuries and formal claims for compensation filed with the division under Missouri Workers' Compensation law. The division also resolves disputed issues between an employee and employer/insurer through mediation and/or evidentiary hearings conducted by its administrative law judges. The division administers the rehabilitation of seriously injured workers, resolves disputes concerning the reasonableness of medical fees and charges, reviews and approves applications by employers or group trusts for self-insurance authority, and investigates allegations of workers' compensation fraud and noncompliance.

Fiscal Year 2011 Governor's Recommendations

- \$175,000 for the Line of Duty Compensation Program. Funding this program is possible because of savings generated from the rebidding of Department of Revenue fee offices.
- (\$60,000) Workers' Compensation Fund and (one) staff reallocated to Administration.

SECOND INJURY FUND

The Second Injury Fund is designed to compensate an injured employee when a current work-related injury combines with any prior injury that creates an increased combined disability. For example, if an injured employee has a 15 percent disability from the current work-related injury and a 15 percent disability from the prior injury, and the combined disability is 40 percent, the fund pays for the increased disability. The fund is also responsible for payment of medical bills for injured employees when the employer fails to insure its workers' compensation liability. In addition, if the employee is killed, burial expenses and death benefits in the form of weekly payments to the surviving spouse or dependents of the employee are paid from the fund. The fund also provides benefits to injured employees undergoing physical rehabilitation. For injuries taking place after August 28, 1998, the fund also provides second job lost wage benefits.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

TORT VICTIMS COMPENSATION PAYMENTS

The Tort Victims Compensation Fund provides benefits to individuals who have received a final monetary judgment in a civil case but who have been unable to collect all, or part of, the judgment entered against the defendant. Funding is provided from the Tort Victims Compensation Fund. The fund's exclusive revenue source is 50 percent of all punitive damage awards entered in civil cases in Missouri. Of this amount, 74 percent is used to pay victims.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF EMPLOYMENT SECURITY**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 20,729,684	\$ 28,363,251	\$ 28,303,251
Special Employment Security Fund	1,957,453	2,389,868	2,389,868
War on Terror Unemployment Compensation Fund	0	90,000	90,000
Employment and Training Payments	3,599,897	7,000,000	7,000,000
Board of Unemployment Fund Financing Bond Proceeds	0	1	1
TOTAL	\$ 26,287,034	\$ 37,843,120	\$ 37,783,120
PERSONAL SERVICE			
Federal Funds	16,559,386	22,821,140	22,761,140
Other Funds	327,292	704,509	704,509
EXPENSE AND EQUIPMENT			
Federal Funds	4,170,280	5,340,797	5,341,993
Other Funds	1,628,348	1,929,358	1,900,358
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	3,599,915	7,001,314	7,000,118
Other Funds	1,813	46,002	75,002
TOTAL			
Federal Funds	24,329,581	35,163,251	35,103,251
Other Funds	1,957,453	2,679,869	2,679,869
Total Full-time Equivalent Employees	473.79	536.71	535.71
Federal Funds	463.99	518.50	517.50
Other Funds	9.80	18.21	18.21

ADMINISTRATION

The Division of Employment Security is responsible for determining employer liability, collecting unemployment compensation taxes from Missouri liable employers, paying unemployment benefits to eligible claimants, maintaining wage records of Missouri workers, and investigating cases involving possible fraud and benefit overpayments.

Fiscal Year 2011 Governor's Recommendations

- (\$60,000) federal funds and (one) staff reallocated to Administration.

SPECIAL EMPLOYMENT SECURITY FUND

The Special Employment Security Fund receives interest and penalties collected under the provisions of the Missouri Employment Security Law. Expenditures from this fund are made in accordance with Section 288.310, RSMo, including refunds of overcollected interest and penalties and administrative expenses of the division not covered by the federal grant. The fund may also be used to acquire suitable office space for the division. Section 288.128, RSMo, provides for federal interest assessments on Title XII advances to the Unemployment Compensation Trust Fund to be deposited into this fund until payment to the federal government is made.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

WAR ON TERROR UNEMPLOYMENT COMPENSATION PROGRAM

The War on Terror Unemployment Compensation Program provides enhanced unemployment benefits to veterans of the War on Terror who have been dismissed or demoted as a result of being deployed. Benefits are paid out of the War on Terror Unemployment Compensation Fund, which consists of administrative penalties paid by employers found in violation of the statutory provisions.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF EMPLOYMENT SECURITY**

EMPLOYMENT AND TRAINING PAYMENTS

The Division of Employment Security operates employment and training programs authorized and funded by the U.S. Department of Labor as authorized by the Disaster Unemployment Assistance (DUA) and the Trade Adjustment Assistance (TAA) programs. The division contracts with the Division of Workforce Development and others to provide a full range of services. Services include referral to employer job openings, job readiness skills training, referral to classroom or employer training, as well as payment of support services such as transportation, subsistence, and relocation allowances.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

BOARD OF UNEMPLOYMENT FUND FINANCING

The Board of Unemployment Fund Financing has authority to borrow up to \$450 million in credit instruments of financial agreements to fund the Unemployment Compensation Trust Fund in accordance with Sections 288.310, 288.330, and 288.128, RSMo.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
STATE BOARD OF MEDIATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Board of Mediation			
TOTAL	\$ 116,031	\$ 121,568	\$ 121,568
PERSONAL SERVICE	101,560	107,303	107,303
EXPENSE AND EQUIPMENT	14,471	14,265	14,265
TOTAL			
General Revenue Fund	116,031	121,568	121,568
Total Full-time Equivalent Employees	2.00	2.00	2.00
General Revenue Fund	2.00	2.00	2.00

The State Board of Mediation is a quasi-judicial board that mediates public utility disputes, determines appropriate bargaining units of public employees, and conducts secret ballot elections to determine exclusive bargaining agent status.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
MISSOURI COMMISSION ON HUMAN RIGHTS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Commission on Human Rights TOTAL	\$ 1,526,020	\$ 1,697,902	\$ 1,624,008
PERSONAL SERVICE			
General Revenue Fund	657,636	618,627	550,127
Federal Funds	767,720	895,097	895,097
EXPENSE AND EQUIPMENT			
General Revenue Fund	20,683	22,312	16,918
Federal Funds	79,981	157,353	157,353
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	4,513	4,513
TOTAL			
General Revenue Fund	678,319	640,939	567,045
Federal Funds	847,701	1,056,963	1,056,963
Total Full-time Equivalent Employees	35.62	36.90	34.00
General Revenue Fund	15.99	14.30	12.30
Federal Funds	19.63	22.60	21.70

The statutory mandate of the Missouri Commission on Human Rights (MCHR) is to prevent and eliminate discrimination as prohibited by the Missouri Human Rights Act. The act requires the MCHR to receive, investigate, and resolve complaints of alleged discrimination in the areas of housing, employment, and public accommodations due to race, color, religion, national origin, ancestry, sex, disability, or age (in employment only) and familial status (in housing only). Through its education and outreach program, the MCHR reduces intergroup conflict and discourages illegal discrimination.

Fiscal Year 2011 Governor's Recommendations

- (\$68,499) and (two) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$5,395) and (.9) staff reallocated to various divisions.

DEPARTMENT OF PUBLIC SAFETY

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 40,879,129	\$ 60,837,039	\$ 43,371,463	\$ 79,330,641
Capitol Police	1,558,450	1,504,785	1,504,785	1,354,618
State Highway Patrol	213,847,037	248,162,802	265,639,899	283,223,670
State Water Patrol	9,850,240	10,620,363	11,820,363	11,467,361
Division of Alcohol and Tobacco Control	3,091,340	2,760,860	2,900,860	2,737,389
Division of Fire Safety	3,587,152	3,996,057	3,699,770	3,371,477
Missouri Veterans' Commission	74,483,763	78,340,489	80,422,223	79,243,338
Missouri Gaming Commission	22,456,922	26,599,830	25,999,559	25,999,559
Adjutant General	183,934,558	78,891,956	80,155,616	40,474,791
DEPARTMENTAL TOTAL	\$ 553,688,591	\$ 511,714,181 *	\$ 515,514,538	\$ 527,202,844
General Revenue Fund	83,739,018	66,264,818	69,854,074	57,575,975
Federal Budget Stabilization Fund	0	1,074,325	0	0
Federal Funds	196,295,070	130,479,901	113,710,687	113,063,687
Gaming Commission Fund	23,161,768	27,846,929	27,584,343	27,575,006
Missouri Veterans' Homes Fund	41,878,354	50,415,483	52,440,131	57,092,231
State Highways and Transportation				
Department Fund	164,805,718	181,028,899	195,868,651	216,264,293
Other Funds	43,808,663	54,603,826	56,056,652	55,631,652
Total Full-time Equivalent Employees	5,092.37	5,032.78	5,045.78	5,005.91
General Revenue Fund	930.39	1,099.61	1,102.61	1,067.74
Federal Funds	413.18	383.29	389.29	384.29
Other Funds	3,748.80	3,549.88	3,553.88	3,553.88

* Does not include \$5,307,887 in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Public Safety supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$527.2 million for the Department of Public Safety, including continued funding for the state's commitment to developing and implementing interoperability between all emergency responders. This budget honors the service of Missouri's veterans by funding each of Missouri's seven veterans' homes, as well as our veterans' cemeteries. It also fully funds the tuition assistance program for the National Guard members returning from deployment, keeping the state's commitment to those who kept their commitment to serve in the National Guard.

The budget protects vital public safety programs while also making reductions that recognize the state's fiscal situation.

The department provides citizens with around-the-clock service by land, water, and air through these core functions:

- Enforcing laws on state roads and waterways.
- Combating the manufacturing and sale of illegal drugs, such as methamphetamine.
- Supporting local law enforcement agencies.
- Assisting victims of crime and crime victim organizations, such as domestic violence shelters.
- Promoting fire safety.
- Deterring underage consumption of alcohol and tobacco.
- Preparing for and responding to disasters.
- Maintaining National Guard units at a high state of readiness so they are prepared to respond when called to active duty.
- Providing assistance and care for veterans.
- Regulating riverboat gambling.

**DEPARTMENT OF PUBLIC SAFETY
OFFICE OF THE DIRECTOR/CRIMINAL JUSTICE PROGRAMS UNIT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 5,103,298	\$ 23,944,177	\$ 42,637,779
Juvenile Justice Programs	2,410,806	2,046,075	2,046,075
Narcotics Control Assistance	6,801,572	7,000,000	7,000,000
Crime Victims' Programs	24,550,894	25,199,500	24,999,500
Program 1122	0	500,000	500,000
National Forensic Sciences Improvement Program	172,424	197,287	197,287
State Forensic Labs	327,626	300,000	300,000
Residential Substance Abuse Treatment Grant Program	109,394	250,000	250,000
Peace Officer Standards and Training Program	1,403,115	1,400,000	1,400,000
TOTAL	\$ 40,879,129	\$ 60,837,039	\$ 79,330,641
PERSONAL SERVICE			
General Revenue Fund	978,198	981,538	981,538
Federal Funds	759,063	957,837	957,837
Other Funds	440,704	507,367	507,367
EXPENSE AND EQUIPMENT			
General Revenue Fund	129,033	155,431	155,431
Federal Funds	249,074	593,667	593,667
Other Funds	1,268,588	1,530,095	1,530,095
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,702,869	2,894,922	800,100
Federal Funds	20,383,909	39,043,504	59,631,928
Other Funds	12,967,691	14,172,678	14,172,678
TOTAL			
General Revenue Fund	4,810,100	4,031,891	1,937,069
Federal Funds	21,392,046	40,595,008	61,183,432
Other Funds	14,676,983	16,210,140	16,210,140
Total Full-time Equivalent Employees	50.10	49.00	49.00
General Revenue Fund	19.12	19.22	19.22
Federal Funds	17.27	16.92	16.92
Other Funds	13.71	12.86	12.86

The Director's Office provides the central budgeting, finance, and personnel control to ensure efficient use of available resources. Staff members plan, review, and evaluate programs to coordinate the state's public safety and law enforcement efforts and to promote cooperation among local, state, and federal agencies. In addition, the criminal justice unit oversees the implementation of programs relating to juvenile justice, peace officer standards, forensic laboratories, narcotics control, crime victims assistance, and Internet sex crime investigation.

Fiscal Year 2011 Governor's Recommendations

- \$38,054,000 federal funds reallocated from the State Emergency Management Agency for Homeland Security Grants.
- (\$19,560,398) core reduction from the Fiscal Year 2010 level, including (\$2,094,822) general revenue.

**DEPARTMENT OF PUBLIC SAFETY
CAPITOL POLICE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Capitol Police TOTAL	\$ 1,558,450	\$ 1,504,785	\$ 1,354,618
PERSONAL SERVICE	1,415,610	1,370,739	1,228,282
EXPENSE AND EQUIPMENT	142,840	134,046	126,336
TOTAL			
General Revenue Fund	1,558,450	1,504,785	1,354,618
Total Full-time Equivalent Employees	40.43	36.00	31.00
General Revenue Fund	40.43	36.00	31.00

The Capitol Police are responsible for security at the Capitol and other facilities occupied by state agencies throughout Jefferson City.

Fiscal Year 2011 Governor's Recommendations

- (\$150,167) and (3.5) staff core reduction from the Fiscal Year 2010 appropriation level.
- (1.5) staff reallocated to the State Emergency Management Agency.

**DEPARTMENT OF PUBLIC SAFETY
STATE HIGHWAY PATROL**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 7,673,848	\$ 7,355,959	\$ 7,477,517
Fringe Benefits	59,187,364	67,239,133	77,928,441
Enforcement	99,370,926	115,684,920	133,306,318
Crime Laboratory	8,617,064	9,860,488	9,835,704
Law Enforcement Academy	2,006,663	2,493,566	2,493,566
Vehicle and Driver Safety	11,580,376	11,791,419	11,775,339
Technical Services	25,410,796	33,737,317	40,406,785
TOTAL	\$ 213,847,037	\$ 248,162,802	\$ 283,223,670
PERSONAL SERVICE			
General Revenue Fund	16,704,009	18,348,106	16,975,908
Federal Funds	3,511,511	4,812,063	5,233,246
Gaming Commission Fund	280,998	340,450	359,957
State Highways and Transportation Department Fund	131,410,200	146,571,809	156,046,555
Other Funds	6,021,177	6,510,598	6,876,972
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,028,055	2,456,166	2,379,826
Federal Funds	5,500,673	12,841,760	12,510,483
Gaming Commission Fund	520,346	1,053,554	1,362,395
State Highways and Transportation Department Fund	33,332,547	34,456,890	60,217,538
Other Funds	10,938,860	16,970,725	17,460,109
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	6,024	100	100
Federal Funds	2,523,582	3,786,381	3,786,381
State Highways and Transportation Department Fund	62,971	200	200
Other Funds	6,084	14,000	14,000
TOTAL			
General Revenue Fund	19,738,088	20,804,372	19,355,834
Federal Funds	11,535,766	21,440,204	21,530,110
Gaming Commission Fund	801,344	1,394,004	1,722,352
State Highways and Transportation Department Fund	164,805,718	181,028,899	216,264,293
Other Funds	16,966,121	23,495,323	24,351,081
Total Full-time Equivalent Employees	2,245.94	2,197.50	2,196.50
General Revenue Fund	187.26	166.00	162.00
Federal Funds	49.71	17.00	18.00
Other Funds	2,008.97	2,014.50	2,016.50

ADMINISTRATION

This section includes the administrative, planning, fiscal, and support activities of the Highway Patrol.

Fiscal Year 2011 Governor's Recommendations

- \$257,912 and four staff reallocated from Highway Patrol Enforcement, including \$67,844 general revenue.
- (\$110,815) State Highways and Transportation Department Fund and (four) staff reallocated to Highway Patrol Enforcement.
- (\$25,539) core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
STATE HIGHWAY PATROL**

FRINGE BENEFITS

Employer retirement contributions, health insurance, and workers' compensation insurance for Highway Patrol employees are paid by the state in a separate appropriation made for those purposes. The amount of the retirement payment is determined by the Board of Trustees of the Highways Employees and Highway Patrol Retirement System.

Fiscal Year 2011 Governor's Recommendations

- \$10,689,308 federal and other funds for fringe benefit increases.

ENFORCEMENT

The primary activity of this section is the patrolling of more than 122,000 miles of public roadways to ensure the safe and orderly flow of traffic. The Enforcement Division also performs undercover investigations, assists local law enforcement agencies, provides access to the Missouri Uniform Law Enforcement System, performs criminal background checks, and maintains a statewide system of commercial motor vehicle weigh stations.

Fiscal Year 2011 Governor's Recommendations

- \$23,251,052 State Highways and Transportation Department Fund for the Highway Patrol portion of the statewide interoperable communications system.
- \$1,339,587 for increased fuel costs, including \$198,487 general revenue.
- \$1,132,747 State Highways and Transportation Department Fund for Highway Patrol vehicle replacement core increase.
- \$314,350 federal and other funds for vehicle maintenance and repair.
- \$262,800 Federal Drug Seizure Fund for replacement vehicles.
- \$181,000 Highway Patrol Traffic Records Fund for various equipment purchases.
- \$149,850 Federal Drug Seizure Fund for replacement body armor.
- \$140,000 federal and other funds for Highway Patrol traffic aircraft maintenance.
- \$117,000 other funds for aircraft operational costs and maintenance.
- \$75,000 State Highways and Transportation Department Fund for training on enforcement systems.
- \$74,680 federal and other funds and two staff for a Crime Analyst fund switch.
- \$50,000 Federal Drug Seizure Fund for mandatory flight training.
- \$30,500 Federal Drug Seizure Fund for an explosive containment storage facility.
- \$2,350,000 State Highways and Transportation Department Fund reallocated from Highway Patrol Technical Services for the Highway Patrol portion of the statewide interoperable communications system.
- \$266,797 other funds and seven staff reallocated from Highway Patrol Technical Services.
- \$121,312 Gaming Commission Fund reallocated from the Missouri Gaming Commission for ammunition and uniform allowance.
- \$110,815 State Highways and Transportation Department Fund and four staff reallocated from Highway Patrol Administration.
- (\$7,965,289) Criminal Record System Fund and (102) staff reallocated to Highway Patrol Technical Services.
- (\$2,483,797) federal and other funds core reduction for one-time expenditures.
- (\$1,474,587) and (two) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$257,912) and (four) staff reallocated to Highway Patrol Administration, including (\$67,844) general revenue.
- (\$164,507) federal funds and (three) staff reallocated to Highway Patrol Technical Services.

CRIME LABORATORY

The Missouri State Highway Patrol Crime Laboratory is a nationally accredited crime lab system that provides state-of-the-art forensic science services to all local, state, and federal law enforcement agencies. Services provided include the forensic specialties of controlled substance, DNA, trace evidence, firearms, toolmarks, toxicology, and latent fingerprint examination.

Fiscal Year 2011 Governor's Recommendations

- \$31,002 State Highways and Transportation Department Fund and one staff for a Lab Evidence Technician fund switch.
- (\$55,786) and (one) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
STATE HIGHWAY PATROL**

LAW ENFORCEMENT ACADEMY

The academy provides basic training to police officers in all agencies outside St. Louis and Jackson counties. The academy also provides administrative and specialized training to police officers from all counties.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

VEHICLE AND DRIVER SAFETY

This section evaluates drivers and vehicles to identify and remove those unfit to be on Missouri roadways. Over 4,900 inspection stations and approximately 23,300 inspector mechanics throughout the state are supervised. The section also maintains over 140 driver examination stations throughout the state.

Fiscal Year 2011 Governor's Recommendations

- (\$16,080) State Highways and Transportation Department Fund core reduction for one-time expenditures.

TECHNICAL SERVICES

This section develops and processes comprehensive criminal offender data, traffic record data, and administrative data. The database is used to respond to inquiries and for analysis of the criminal justice and traffic systems to plan for effective law enforcement. This section also operates the statewide Missouri Uniform Law Enforcement System (MULES).

Fiscal Year 2011 Governor's Recommendations

- \$1,089,930 State Highways and Transportation Department Fund to implement a replacement program for in-car video cameras.
- \$299,362 Criminal Record System Fund for an AFIS fingerprint matcher.
- \$154,090 Criminal Record System Fund for replacement of fingerprint card scanners.
- \$7,965,289 Criminal Record System Fund and 102 staff reallocated from Highway Patrol Enforcement.
- \$164,507 federal funds and three staff reallocated from Highway Patrol Enforcement.
- (\$2,350,000) State Highways and Transportation Department Fund reallocated to Highway Patrol Enforcement for the Highway Patrol portion of the statewide interoperable communications system.
- (\$295,800) other funds core reduction for one-time expenditures.
- (\$266,797) other funds and (seven) staff reallocated to Highway Patrol Enforcement.
- (\$91,113) and (one) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
STATE WATER PATROL**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Water Patrol TOTAL	\$ 9,850,240	\$ 10,620,363	\$ 11,467,361
PERSONAL SERVICE			
General Revenue Fund	4,805,042	5,053,644	6,053,644
Federal Funds	482,575	555,725	555,725
Missouri State Water Patrol Fund	1,526,623	1,665,244	1,665,244
EXPENSE AND EQUIPMENT			
General Revenue Fund	918,618	421,246	268,244
Federal Funds	1,935,735	2,324,504	2,324,504
Missouri State Water Patrol Fund	181,647	600,000	600,000
TOTAL			
General Revenue Fund	5,723,660	5,474,890	6,321,888
Federal Funds	2,418,310	2,880,229	2,880,229
Missouri State Water Patrol Fund	1,708,270	2,265,244	2,265,244
Total Full-time Equivalent Employees	123.47	127.50	123.50
General Revenue Fund	87.11	117.00	113.00
Federal Funds	10.70	10.50	10.50
Other Funds	25.66	0.00	0.00

The primary task of the State Water Patrol is to ensure that Missouri citizens and tourists enjoy state waterways safely through enforcement of water safety laws. This is accomplished by patrolling 626,081 acres of recreational waters in the state. Water Patrol officers provide boating safety education, boat inspection services, and enforce state and federal laws relating to water safety.

Fiscal Year 2011 Governor's Recommendations

- \$1,200,000 to offset a shortfall available in the Missouri State Water Patrol Fund.
- (\$353,002) and (four) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
DIVISION OF ALCOHOL AND TOBACCO CONTROL**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Alcohol and Tobacco Control			
TOTAL	\$ 3,091,340	\$ 2,760,860	\$ 2,737,389
PERSONAL SERVICE			
General Revenue Fund	2,335,342	1,972,248	1,854,084
Federal Funds	264,957	321,233	421,233
Other Funds	105,853	107,800	107,800
EXPENSE AND EQUIPMENT			
General Revenue Fund	289,551	168,711	123,404
Federal Funds	58,677	153,908	193,908
Other Funds	36,960	36,960	36,960
TOTAL			
General Revenue Fund	2,624,893	2,140,959	1,977,488
Federal Funds	323,634	475,141	615,141
Other Funds	142,813	144,760	144,760
Total Full-time Equivalent Employees	62.91	49.00	45.00
General Revenue Fund	53.77	45.00	41.00
Federal Funds	5.98	1.00	1.00
Other Funds	3.16	3.00	3.00

The Division of Alcohol and Tobacco Control administrative staff review all liquor license applications and reported liquor and tobacco violations. The staff develops facts regarding reported violations in pre-hearing conferences and format hearings before the supervisor, and, depending on the outcome of hearings, issues citations.

The audit and collection staff reviews beer, wine, and liquor transactions to ensure that all revenues due to the state are collected. The program also ensures fair competition among liquor wholesalers by monitoring actual prices charged for various classes and types of beverages against price schedules for such products.

The enforcement program ensures that liquor licenses are issued only to qualified applicants on approved premises. Agents conduct inspections and investigate complaints received on violations of alcohol and tobacco control laws. Reports are filed with local authorities and the supervisor of Alcohol and Tobacco Control for review and appropriate action.

Fiscal Year 2011 Governor's Recommendations

- \$140,000 federal funds for the Alcohol Safety and Awareness Program.
- (\$163,471) and (four) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
DIVISION OF FIRE SAFETY**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 3,040,082	\$ 3,539,649	\$ 3,121,477
Firefighter Training Program	547,070	456,408	250,000
TOTAL	\$ 3,587,152	\$ 3,996,057	\$ 3,371,477
PERSONAL SERVICE			
General Revenue Fund	2,044,143	2,099,756	1,992,916
Other Funds	580,627	731,306	751,306
EXPENSE AND EQUIPMENT			
General Revenue Fund	563,695	426,933	205,480
Federal Funds	0	311,270	1
Other Funds	368,170	426,392	421,374
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	100	100
Other Funds	30,517	300	300
TOTAL			
General Revenue Fund	2,607,838	2,526,789	2,198,496
Federal Funds	0	311,270	1
Other Funds	979,314	1,157,998	1,172,980
Total Full-time Equivalent Employees	68.78	72.92	68.92
General Revenue Fund	53.11	53.92	49.92
Other Funds	15.67	19.00	19.00

Division of Fire Safety staff investigates the causes of fires and explosions. Investigators assist in case development and, when necessary, work with local law enforcement authorities to prosecute persons accused of arson. Inspection activities concentrate on fire prevention evaluations. Inspectors evaluate facilities that are used for state mental health patients, patient care facilities operated by the Department of Mental Health, day care facilities licensed by the state, senior citizen nutrition and recreation centers, and other public facilities. The division also administers the Public Boiler and Pressure Vessel Safety Inspection Program, Elevator Safety Program, and Amusement Ride Safety Program, conducts fireworks industry inspections, and provides firefighters throughout the state.

Fiscal Year 2011 Governor's Recommendations

- \$36,528 Cigarette Fire Safety Standard and Firefighter Protection Act Fund for the Fire Safe Cigarette Program.
- (\$639,562) and (four) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$328,293) general revenue.
- (\$21,546) Boiler and Pressure Vessel Safety Fund core reduction for one-time expenditures.

**DEPARTMENT OF PUBLIC SAFETY
MISSOURI VETERANS' COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration and Service to Veterans	\$ 4,638,886	\$ 5,518,868	\$ 5,744,969
Veterans' Service Officer Program	998,321	1,000,000	1,000,000
Veterans' Homes	68,846,556	71,821,621	72,498,369
TOTAL	\$ 74,483,763	\$ 78,340,489	\$ 79,243,338
PERSONAL SERVICE			
General Revenue Fund	13,844,811	14,359,955	14,228,970
Missouri Veterans' Homes Fund	37,439,326	37,973,591	37,973,591
Veterans' Commission Capital Improvement Trust Fund	1,016,168	1,384,049	1,440,049
EXPENSE AND EQUIPMENT			
General Revenue Fund	15,913,630	10,064,308	4,364,308
Missouri Veterans' Homes Fund	4,438,888	12,441,892	19,118,640
Veterans' Commission Capital Improvement Trust Fund	762,150	1,039,393	1,040,479
Veterans' Trust Fund	70,294	77,301	77,301
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	35	0	0
Missouri Veterans' Homes Fund	140	0	0
Veterans' Commission Capital Improvement Trust Fund	998,321	1,000,000	1,000,000
TOTAL			
General Revenue Fund	29,758,476	24,424,263	18,593,278
Missouri Veterans' Homes Fund	41,878,354	50,415,483	57,092,231
Veterans' Commission Capital Improvement Trust Fund	2,776,639	3,423,442	3,480,528
Veterans' Trust Fund	70,294	77,301	77,301
Total Full-time Equivalent Employees	1,796.12	1,760.94	1,760.94
General Revenue Fund	372.84	540.74	538.74
Other Funds	1,423.28	1,220.20	1,222.20

The commission has four components: administration, which oversees programs and maintains central files; the Missouri veterans' homes at St. James, Mexico, Mt. Vernon, Cape Girardeau, St. Louis, Cameron, and Warrensburg, which care for Missouri veterans; the Missouri veterans' cemeteries at Higginsville, Springfield, Jacksonville, and Bloomfield; and the Service to Veterans' Program, which assists veterans in applying for U.S. Veterans Administration pensions and other benefits.

Fiscal Year 2011 Governor's Recommendations

- \$6,000,000 Missouri Veterans' Homes Fund for core expenditures.
- \$676,748 Missouri Veterans' Homes Fund for increased food costs at veterans' homes.
- \$300,000 for Veterans' story videos.
- \$68,086 Veterans' Commission Capital Improvement Trust Fund and two staff for additional support for the Springfield Veterans' cemetery.
- (\$6,130,985) and (two) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$11,000) Veterans' Commission Capital Improvement Trust Fund transferred to the Office of Administration for utility costs.

**DEPARTMENT OF PUBLIC SAFETY
MISSOURI GAMING COMMISSION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Missouri Gaming Commission			
TOTAL	\$ 22,456,922	\$ 26,599,830	\$ 25,999,559
PERSONAL SERVICE	15,366,771	18,749,645	18,749,645
EXPENSE AND EQUIPMENT	2,090,151	2,850,185	2,249,914
PROGRAM SPECIFIC DISTRIBUTION	5,000,000	5,000,000	5,000,000
TOTAL			
Other Funds	22,456,922	26,599,830	25,999,559
Total Full-time Equivalent Employees	212.64	230.00	230.00
Other Funds	212.64	230.00	230.00

The Missouri Gaming Commission regulates bingo and riverboat gambling at 11 riverboat casinos. The five members of the Gaming Commission are appointed by the Governor with the advice and consent of the Senate.

Fiscal Year 2011 Governor's Recommendations

- (\$478,959) Gaming Commission Fund core reduction for one-time expenditures.
- (\$121,312) Gaming Commission Fund reallocated to the Missouri State Highway Patrol for uniform and ammunition allowance for Gaming officers.

**DEPARTMENT OF PUBLIC SAFETY
ADJUTANT GENERAL**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 1,384,868	\$ 1,261,224	\$ 1,115,732
National Guard Trust Fund Program	4,564,660	6,229,529	6,249,089
Veterans' Recognition Program	346,397	628,021	628,021
Field Support	1,592,081	1,433,851	1,384,107
Missouri Military Family Relief Program	131,370	200,000	400,000
Contract Services	16,664,537	17,660,914	17,504,970
Office of Air Search & Rescue	7,105	16,978	14,933
State Emergency Management Agency (SEMA)	159,243,540	51,461,439	13,177,939
TOTAL	\$ 183,934,558	\$ 78,891,956	\$ 40,474,791
PERSONAL SERVICE			
General Revenue Fund	3,760,593	3,638,969	3,398,490
Federal Funds	10,683,364	13,102,867	13,102,867
Missouri National Guard Trust Fund	1,027,972	1,208,204	1,208,204
Other Funds	264,864	264,003	264,003
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,283,765	667,907	1,333,821
Federal Funds	16,084,333	7,397,907	6,454,307
Missouri National Guard Trust Fund	3,767,554	4,464,973	4,464,973
Other Funds	686,306	904,892	904,892
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	9,873,155	1,049,993	1,104,993
Federal Funds	133,857,617	45,351,600	7,297,600
Missouri National Guard Trust Fund	0	1	1
Other Funds	645,035	840,640	940,640
TOTAL			
General Revenue Fund	16,917,513	5,356,869	5,837,304
Federal Funds	160,625,314	65,852,374	26,854,774
Missouri National Guard Trust Fund	4,795,526	5,673,178	5,673,178
Other Funds	1,596,205	2,009,535	2,109,535
Total Full-time Equivalent Employees	491.98	509.92	501.05
General Revenue Fund	116.75	121.73	112.86
Federal Funds	329.52	337.87	337.87
Other Funds	45.71	50.32	50.32

ADMINISTRATION

This section provides administrative support for the Missouri National Guard, including the functions of command communication, logistical assistance, finance, and budgeting. The Adjutant General is the military chief of staff to the commander-in-chief (Governor). The Adjutant General is also the administrative head of the military forces, which include Army and Air National Guard elements assigned to the state by the federal government.

Fiscal Year 2011 Governor's Recommendations

- (\$145,492) and (5.8) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
ADJUTANT GENERAL**

MISSOURI NATIONAL GUARD TRUST FUND PROGRAM

The Missouri National Guard Trust Fund receives income tax check-off contributions. Grants, gifts, and bequests may also be deposited in the fund. In the absence of specific requirements attached to fund donations, the Office of the Adjutant General may, subject to appropriation, expend the funds for any lawful purpose in support of the Guard.

Fiscal Year 2011 Governor's Recommendations

- \$807,160 for the National Guard Tuition Assistance Program. A portion of this funding is possible because of savings generated from the rebidding of the Department of Revenue fee offices.
- (\$787,600) Federal Budget Stabilization Fund core reduction for one-time expenditures.

VETERANS' RECOGNITION PROGRAM

The Veterans' Recognition Program was first established in 2000 with the creation of the World War II Veterans' Recognition Award. The Korean Conflict Medallion Program was established in 2003 and the Vietnam War Medallion Program was established in 2006. Veterans serving on active duty between February 28, 1961 and May 7, 1975 are entitled to receive a medallion, medal, and certificate of appreciation.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

FIELD SUPPORT

The field support section supports the operational needs of Missouri National Guard facilities located throughout the state. This section includes maintenance and operation of 62 armories and 629 buildings in 64 Missouri communities.

Fiscal Year 2011 Governor's Recommendations

- (\$29,344) core reduction from the Fiscal Year 2010 appropriation level.
- (\$20,400) core reduction for one-time expenditures.

MISSOURI MILITARY FAMILY RELIEF PROGRAM

Families of persons who are members of the Missouri National Guard or Missouri residents who are members of the reserve forces of the United States and have been called to active duty as a result of the terrorist attacks of September 11, 2001 are eligible for grants through this program. This program is funded from donations and income tax contributions designated on Missouri income tax returns.

Fiscal Year 2011 Governor's Recommendations

- \$100,000 Missouri Military Family Relief Fund to provide additional support to military families.
- \$100,000 to provide additional funding for the Missouri Military Family Relief Program. This funding is possible because of the savings generated from the rebidding of the Department of Revenue fee offices.

CONTRACT SERVICES

This section provides funding for contractual agreements between the federal and state government relative to maintenance and security of National Guard installations.

Fiscal Year 2011 Governor's Recommendations

- (\$155,944) and (4.57) staff core reduction from the Fiscal Year 2010 appropriation level.
- (.5) staff reallocated to the State Emergency Management Agency.

**DEPARTMENT OF PUBLIC SAFETY
ADJUTANT GENERAL**

OFFICE OF AIR SEARCH AND RESCUE

The Office of Air Search and Rescue provides emergency services utilizing the efforts of professionally trained pilots, communications specialists, and emergency support personnel. The office works in cooperation with state and federal agencies, the Civil Air Patrol, and public and private hospitals to provide emergency services, rescue operations, mercy missions, aerial observations, and emergency communications to anyone in immediate need of these specialized services.

Fiscal Year 2011 Governor's Recommendations

- (\$2,045) core reduction from the Fiscal Year 2010 appropriation level.

STATE EMERGENCY MANAGEMENT AGENCY

The State Emergency Management Agency develops policies and procedures that help protect citizens in times of disaster. The agency is charged with the task of preparing and periodically updating plans to manage and control the state's resources in emergency situations. Once disaster strikes, the agency administers federal assistance to disaster areas and coordinates efforts to aid individuals, protect property, and restore essential utilities and structures. A state emergency operations center is maintained to serve as the control center for state government should emergency situations arise.

Fiscal Year 2011 Governor's Recommendations

- (\$38,054,000) federal funds reallocated to the Office of the Director for Homeland Security Grants.
- (\$156,000) federal funds core reduction for one-time expenditures.
- (\$73,500) core reduction from the Fiscal Year 2010 appropriation level.
- Two staff reallocated from various divisions to replace contract staff with permanent staff.

DEPARTMENT OF CORRECTIONS

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 81,650,441	\$ 86,662,723	\$ 91,287,867	\$ 91,081,640
Division of Human Services	11,397,435	10,508,790	10,981,449	10,770,218
Division of Adult Institutions	275,284,265	282,143,661	282,003,164	280,178,506
Division of Offender Rehabilitative Services	174,639,499	190,168,393	197,315,796	195,827,467
Board of Probation and Parole	91,141,432	95,079,885	95,185,737	94,729,025
DEPARTMENTAL TOTAL	\$ 634,113,072	\$ 664,563,452 *	\$ 676,774,013	\$ 672,586,856
General Revenue Fund	586,923,288	604,146,521	613,185,741	608,988,584
Federal Funds	4,763,648	7,591,995	11,184,834	10,434,834
Working Capital Revolving Fund	31,195,326	34,995,308	34,645,308	34,645,308
Inmate Revolving Fund	11,129,077	17,565,028	17,493,530	18,243,530
Correctional Substance Abuse Earnings Fund	101,733	264,600	264,600	264,600
Institution Gift Trust Fund	0	0	0	10,000
Total Full-time Equivalent Employees	11,478.94	11,323.99	11,276.49	11,295.49
General Revenue Fund	11,191.04	10,994.09	10,959.09	10,978.09
Federal Funds	51.15	62.50	52.00	52.00
Other Funds	236.75	267.40	265.40	265.40

* Does not include \$280,641 and 4.75 FTE recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Corrections supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$672.6 million for the Department of Corrections. The department provides secure facilities for segregating criminals and promotes a safe reintegration of former offenders into lawful society. The core functions provided by the Department of Corrections promote the safety of Missourians through:

- Confinement of offenders who require incarceration.
- Rehabilitation of both incarcerated and community-supervised offenders.
- Supervision of offenders who have served their terms and are being reintroduced back into society.
- Supervision of offenders who have been assigned probation in the community.

Under the Fiscal Year 2011 budget:

- All adult institutions will remain open with the ability to operate at full capacity.
- The department will make space and staffing reallocations to ensure there is sufficient and secure capacity to hold the offender population.

**DEPARTMENT OF CORRECTIONS
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Office of the Director (Staff)	\$ 3,442,723	\$ 3,912,197	\$ 4,824,524
Federal and Other Programs	4,590,493	6,491,994	10,094,833
Restitution Payments	157,250	182,500	151,475
Food Purchases	27,821,063	28,946,089	29,633,489
Population Growth Pool	2,296,921	2,271,063	1,390,714
Telecommunications	1,700,580	1,798,264	1,925,989
Costs in Criminal Cases	41,641,411	43,060,616	43,060,616
TOTAL	\$ 81,650,441	\$ 86,662,723	\$ 91,081,640
PERSONAL SERVICE			
General Revenue Fund	5,661,178	5,488,035	5,567,214
Federal Funds	1,867,698	2,595,487	2,595,487
EXPENSE AND EQUIPMENT			
General Revenue Fund	29,363,685	30,689,578	31,457,502
Federal Funds	2,895,950	4,146,507	7,739,346
Other Funds	0	0	10,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	41,861,930	43,643,116	43,612,091
Federal Funds	0	100,000	100,000
TOTAL			
General Revenue Fund	76,886,793	79,820,729	80,636,807
Federal Funds	4,763,648	6,841,994	10,434,833
Other Funds	0	0	10,000
Total Full-time Equivalent Employees	179.92	161.70	161.50
General Revenue Fund	128.77	99.20	109.50
Federal Funds	51.15	62.50	52.00

The Director of the Department of Corrections is charged with shaping legislation as well as formulating policy and procedures for effective and efficient implementation of goals and objectives that improve public safety. To apply these pre-release and reentry-oriented policies and procedures to the offender population, the Office of the Director administers and coordinates the actions of the Department's four divisions: Human Services, Adult Institutions, Offender Rehabilitative Services, and Probation and Parole. The Office of the Director consists of the Director, Deputy Director, Public Information, Legislative and Constituent Services, Legal Services, Inspector General, Restorative Justice, Victim Services, Women Offender/Reentry Program, Emergency Preparedness/Workplace Violence Coordinator, and Budget and Research.

Fiscal Year 2011 Governor's Recommendations

- \$3,592,839 federal funds for increased federal grant authority.
- \$687,400 for food and food-related supplies.
- \$10,000 Institution Gift Trust Fund to accept donations for the Foster Care Dog Program.
- \$1,225,254 and 15 staff reallocated from various divisions.
- (\$880,349) and (3.7) staff reallocated to various divisions.
- (\$216,227) and (11.5) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$216,227) general revenue.

**DEPARTMENT OF CORRECTIONS
DIVISION OF HUMAN SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Human Services (Staff)	\$ 8,922,041	\$ 8,185,525	\$ 8,559,722
General Services	440,622	371,328	341,622
Staff Training	1,437,797	1,350,792	1,267,729
Employee Health and Safety	596,975	601,145	601,145
TOTAL	\$ 11,397,435	\$ 10,508,790	\$ 10,770,218
PERSONAL SERVICE			
General Revenue Fund	8,649,306	7,843,415	8,249,823
Other Funds	110,798	111,419	126,190
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,630,765	2,490,907	2,345,927
Other Funds	6,566	63,049	48,278
TOTAL			
General Revenue Fund	11,280,071	10,334,322	10,595,750
Other Funds	117,364	174,468	174,468
Total Full-time Equivalent Employees	255.36	248.63	241.90
General Revenue Fund	250.97	243.63	236.90
Other Funds	4.39	5.00	5.00

The Division of Human Services consists of Training, Employee Health and Safety, Human Resources, Fiscal Management, General Services, Planning, Religious and Spiritual Programming, and Volunteers/Interns. Training is responsible for ensuring new and current staff are equipped with the skills needed to perform their duties. Employee Health and Safety consists of activities involving infectious disease control, wellness programs, and other items that relate to employee morale and well-being. Human Resources coordinates hiring, promotions, and discipline in all four divisions to ensure that professional and equitable treatment is available to all employees. Fiscal Management carries out the department's day-to-day financial operations. General Services coordinates food and construction services. The Planning Section is responsible for the development of the strategic plan and planning initiatives. The supervisor of Religious and Spiritual Programming coordinates religious and spiritual programs for offenders and oversees the chaplains. The supervisor of Volunteers/Interns is responsible for recruitment and coordination of activities of the volunteers and interns. Department-wide appropriations centralized at this level include food, security staff compensatory time, and the institutional expense and equipment pool.

Fiscal Year 2011 Governor's Recommendations

- \$1,121,495 and 10.27 staff reallocated from various divisions, including \$1,106,724 general revenue.
- (\$648,836) and (14) staff reallocation to various divisions, including (\$634,065) general revenue.
- (\$211,231) and (three) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF CORRECTIONS
DIVISION OF ADULT INSTITUTIONS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Central Office	\$ 1,663,382	\$ 1,388,151	\$ 1,614,576
Overtime	10,019,260	6,266,178	6,266,178
Wage and Discharge Costs	3,407,940	3,159,897	3,279,897
Institutional E&E Pool	18,461,169	17,420,407	16,835,748
Jefferson City Correctional Center	15,853,564	16,007,710	16,746,360
Central Missouri Correctional Center	483,212	587,142	593,073
Women's Eastern Reception, Diagnostic and Correctional Center	13,356,935	14,278,437	13,686,129
Ozark Correctional Center	4,773,229	5,091,254	5,232,692
Moberly Correctional Center	12,300,719	12,439,335	12,597,527
Algoa Correctional Center	9,556,487	9,876,968	9,847,932
Missouri Eastern Correctional Center	9,429,797	9,830,933	10,005,860
Chillicothe Correctional Center	11,570,139	15,120,126	13,176,626
Boonville Correctional Center	9,029,220	9,409,733	9,312,595
Farmington Correctional Center	17,896,277	18,814,294	19,421,043
Farmington Treatment Center/Board of Public Buildings	742,905	860,901	0
Western Missouri Correctional Center	14,455,444	15,503,805	16,219,818
Potosi Correctional Center	10,428,725	10,893,430	10,814,136
Fulton Reception and Diagnostic Center	11,843,143	12,372,159	13,145,483
FRDCC/Board of Public Buildings	552,096	636,455	0
Tipton Correctional Center	9,289,458	9,470,546	9,543,667
Western Reception, Diagnostic and Correctional Center	15,952,027	15,905,730	15,764,760
Maryville Treatment Center	5,440,056	5,624,869	5,628,518
Crossroads Correctional Center	11,004,085	11,628,549	11,749,502
Northeast Correctional Center	15,526,236	15,819,690	15,815,294
Eastern Reception, Diagnostic and Correctional Center	18,533,206	19,430,448	18,908,555
South Central Correctional Center	12,010,424	12,235,583	12,052,377
Southeast Correctional Center	11,705,130	12,070,931	11,920,160
TOTAL	\$ 275,284,265	\$ 282,143,661	\$ 280,178,506
PERSONAL SERVICE			
General Revenue Fund	252,893,995	260,930,031	259,513,067
Other Funds	368,825	482,907	411,409
EXPENSE AND EQUIPMENT			
General Revenue Fund	22,017,831	20,730,723	20,254,030
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,614	0	0
TOTAL			
General Revenue Fund	274,915,440	281,660,754	279,767,097
Other Funds	368,825	482,907	411,409
Total Full-time Equivalent Employees	8,352.02	8,138.10	8,144.33
General Revenue Fund	8,340.48	8,125.10	8,133.33
Other Funds	11.54	13.00	11.00

The Division of Adult Institutions' mission is to safely and humanely house criminal offenders within 21 adult correctional institutions statewide. The Division carries out this mission in a secure manner for offenders, staff, and citizens via the daily monitoring of the inmate population; implementation and oversight of the inmate classification process; and transportation and re-incarceration of parole violators.

Fiscal Year 2011 Governor's Recommendations

- \$578,314 and 19 staff to relocate the juvenile unit at Northeast Correctional Center to Western Reception, Diagnostic and Correctional Center.
- \$3,435,901 and 112.78 staff reallocated from various divisions.
- (\$3,504,900) and (119.55) staff reallocated to various divisions.
- (\$2,474,470) and (six) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$2,402,972) general revenue.

**DEPARTMENT OF CORRECTIONS
DIVISION OF ADULT INSTITUTIONS**

Missouri Prison Population for December 28, 2009

<u>Male Institutional</u>	<u>Capacity</u>	<u>Beds Off Line</u>	<u>Population</u>	<u>Vacancies</u>
Alga Correctional Center	1,565	(28)	1,517	20
Boonville Correctional Center	1,316		1,246	70
Crossroads Correctional Center	1,448		1,459	(11)
Cremer Treatment Center	180		161	19
Eastern Reception, Diagnostic and Correctional Center	2,684		2,724	(40)
Farmington Correctional Center	2,632		2,604	28
Fulton Reception and Diagnostic Center	1,302		1,354	(52)
Jefferson City Correctional Center	1,971		1,970	1
Moberly Correctional Center	1,800		1,744	56
Missouri Eastern Correctional Center	1,100	(40)	1,096	4
Maryville Treatment Center	525		524	37
Northeast Correctional Center	1,993	(6)	1,915	72
Ozark Correctional Center	650		639	11
Potosi Correctional Center	852		860	2
South Central Correctional Center	1,546		1,591	51
Southeast Correctional Center	1,546		1,611	31
Tipton Correctional Center	1,088	(24)	1,165	27
Western Missouri Correctional Center	1,923	(200)	1,914	9
Western Reception, Diagnostic and Correctional Center	1,934		2,084	(110)
TOTAL MALE POPULATION	28,055	(298)	28,178	225
<u>Female</u>				
Chillicothe Correctional Center	1,636	(440)	946	250
Women's Eastern Reception, Diagnostic and Correctional Center	1,460		1,487	73
TOTAL FEMALE POPULATION	3,096	(440)	2,433	323
TOTAL POPULATION	31,151	(738)	30,611	548

**DEPARTMENT OF CORRECTIONS
DIVISION OF OFFENDER REHABILITATIVE SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Central Office	\$ 1,890,316	\$ 1,369,232	\$ 1,563,464
Medical Services	120,594,914	129,859,957	136,912,145
Medical Equipment	129,920	222,523	222,523
Substance Abuse Services	7,958,717	10,223,488	10,045,469
Drug Testing-Toxicology	651,675	630,856	710,856
Education Services	11,001,202	12,150,748	10,661,421
Vocational Enterprises	31,195,326	33,778,821	33,778,821
Prison Industry Enhancement	0	866,486	866,486
Reentry	344,455	316,282	1,066,282
Reentry Pilot	872,974	750,000	0
TOTAL	\$ 174,639,499	\$ 190,168,393	\$ 195,827,467
PERSONAL SERVICE			
General Revenue Fund	14,106,361	14,626,770	14,565,010
Other Funds	6,626,644	8,133,095	8,133,095
EXPENSE AND EQUIPMENT			
General Revenue Fund	129,232,680	139,215,433	145,286,267
Federal Funds	0	750,001	1
Other Funds	24,667,364	27,443,094	27,843,094
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,399	0	0
Other Funds	3,051	0	0
TOTAL			
General Revenue Fund	143,342,440	153,842,203	159,851,277
Federal Funds	0	750,001	1
Other Funds	31,297,059	35,576,189	35,976,189
Total Full-time Equivalent Employees	592.31	643.45	628.15
General Revenue Fund	388.13	409.45	394.15
Other Funds	204.18	234.00	234.00

The Division of Offender Rehabilitative Services is responsible for providing rehabilitative, educational, and treatment programs to offenders. These programs include: reception and diagnostic center assessment; adult education; library services; substance abuse treatment; inmate physical and mental health care; sexual offender assessment and treatment; and work-based education including involvement with Missouri Vocational Enterprises. Through the utilization of these programs, the Division of Offender Rehabilitative Services seeks to improve the offender's ability to successfully comply with society's expectations and thus reduce significantly the rate of offender recidivism.

Fiscal Year 2011 Governor's Recommendations

- \$7,783,515 for increased offender health care costs.
- \$750,000 Inmate Revolving Fund for offender re-entry programming.
- \$1,000,573 and 18.2 staff reallocated from various divisions.
- \$381,923 transferred from the Department of Mental Health for the Social Rehabilitation Unit at Farmington Correctional Center.
- (\$2,401,947) and (14.5) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$1,301,947) general revenue.
- (\$1,854,990) and (19) staff reallocated to various divisions.

**DEPARTMENT OF CORRECTIONS
BOARD OF PROBATION AND PAROLE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Probation and Parole (Staff)	\$ 72,439,873	\$ 74,804,751	\$ 74,108,180
St. Louis Community Release Center	4,009,064	4,079,316	4,186,656
Kansas City Community Release Center	2,164,656	2,335,027	2,442,004
Community Supervision Centers	5,931,217	5,247,951	5,385,235
Community-Based Corrections Programs	6,596,622	8,612,840	8,606,950
TOTAL	\$ 91,141,432	\$ 95,079,885	\$ 94,729,025
PERSONAL SERVICE			
General Revenue Fund	74,369,061	73,032,154	73,072,724
Other Funds	529,824	590,355	590,355
EXPENSE AND EQUIPMENT			
General Revenue Fund	6,013,467	5,456,359	5,064,929
Other Funds	10,113,064	15,254,684	15,254,684
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	116,016	0	0
Other Funds	0	746,333	746,333
TOTAL			
General Revenue Fund	80,498,544	78,488,513	78,137,653
Other Funds	10,642,888	16,591,372	16,591,372
Total Full-time Equivalent Employees	2,099.33	2,132.11	2,119.61
General Revenue Fund	2,082.69	2,116.71	2,104.21
Other Funds	16.64	15.40	15.40

The Board of Probation and Parole provides a full range of supervision strategies to manage offenders who are on probation and parole. These strategies combine appropriate structure, control, treatment, and intervention to address the risk and needs of offenders in the community. In addition to supervision of offenders, staff provides assessments and investigations for the Courts, Parole Board, and other states. These assessments and investigations assist the judges and parole board in making informed and appropriate decisions on cases before them. Through professional assessment and supervision, the board is able to identify and deliver a continuum of necessary services to address a complex offender population. The Board also manages a range of alternatives to incarceration including an electronic monitoring program, intensive supervision programs, contracted residential facilities, two Community Release Centers, and seven Community Supervision Centers.

Fiscal Year 2011 Governor's Recommendations

- \$487,216 and two staff reallocated from various divisions.
- (\$456,712) and (12.50) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$381,364) and (two) staff reallocated to various divisions.

DEPARTMENT OF MENTAL HEALTH

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 50,719,742	\$ 57,047,119	\$ 55,887,889	\$ 56,164,640
Division of Alcohol and Drug Abuse	104,722,301	122,061,325	120,330,394	118,893,840
Division of Comprehensive Psychiatric Services	399,610,426	421,567,480	429,179,106	420,464,122
Division of Developmental Disabilities	584,248,482	610,874,360	627,770,954	629,777,544
DEPARTMENTAL TOTAL	\$ 1,139,300,951	\$ 1,211,550,284 *	\$ 1,233,168,343	\$ 1,225,300,146
General Revenue Fund	605,649,896	594,823,914	602,133,789	594,741,954
Federal Budget Stabilization Fund	0	5,891,995	1,250,000	0
Federal Funds	493,242,634	568,563,321	585,013,738	585,980,668
Mental Health Intergovernmental Transfer Fund	7,628,188	8,000,000	8,000,000	8,000,000
Compulsive Gamblers Fund	361,788	499,745	499,745	100,000
Health Initiatives Fund	6,533,537	6,443,863	6,394,717	6,490,235
Mental Health Earnings Fund	4,673,769	4,681,824	5,786,864	5,786,864
Mental Health Housing Trust Fund	290,000	0	0	0
Inmate Revolving Fund	1,711,481	3,999,560	3,999,560	3,999,560
Healthy Families Trust Fund	2,285,637	2,225,500	2,193,903	2,255,313
Mental Health Trust Fund	910,953	2,094,619	2,094,619	2,094,619
DMH Local Tax Matching Fund	16,013,068	14,325,943	14,275,924	14,325,449
Home and Community-Based Developmental Disabilities Waiver Reimbursement Allowance Fund	0	0	1,525,484	1,525,484
Total Full-time Equivalent Employees	8,928.63	8,291.79	8,213.78	7,938.26
General Revenue Fund	8,319.82	6,635.07	6,629.84	6,271.59
Federal Funds	595.16	1,616.72	1,543.94	1,626.67
Other Funds	13.65	40.00	40.00	40.00

* Does not include \$5,234,678 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Mental Health supplemental appropriations.

DEPARTMENT SUMMARY

Governor Nixon is committed to meeting the service needs of Missouri's most vulnerable citizens. In these tight budget times, it is even more important to ensure these services are provided efficiently. The department continually explores methods of delivering services in a cost effective manner. The department and community partners take great efforts to ensure that Medicaid eligibles receive Medicaid services. In an effort to ensure appropriate service levels, the department will review service plans of consumers with high cost cases.

The Fiscal Year 2011 budget provides \$1.2 billion for the Department of Mental Health. The primary focus for the department is to provide effective, consumer-friendly services to Missourians challenged by substance abuse, mental disorders, and developmental disabilities. Core services provided by the Department of Mental Health include:

- Offering prevention, evaluation, treatment, and rehabilitation services for individuals requiring public mental health services. One in four Missouri families is affected by mental illness. Though many persons with mental illnesses obtain treatment from private providers, more than 77,000 people a year turn to the Division of Comprehensive Psychiatric Services. The division also operates forensic and sexually violent predator programs that protect the public from clients committed to state custody by the courts.
- Improving the lives of persons with developmental disabilities – individuals who are substantially limited in their ability to function independently. The Division of Developmental Disabilities is committed to building partnerships that support individuals with developmental disabilities in meeting their own unique needs. This is accomplished through a client-centered planning process designed to provide tailored programs and services that will enable these individuals to live in the safest, least restrictive setting appropriate to their individual needs and capacities.
- Providing substance abuse prevention, education, intervention, and treatment. The Division of Alcohol and Drug Abuse provides services that have a positive impact on the problems that are associated with addiction – problems that cost the state's economy through loss of productivity, rising health care expenditures, and increased crime.
- Establishing policies, standards, and quality controls for prevention, education, habilitation, rehabilitation, and treatment for Missourians challenged by mental illness, substance abuse/addiction, and developmental disabilities.

**DEPARTMENT OF MENTAL HEALTH
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 50,719,742	\$ 57,047,119	\$ 56,164,640
PERSONAL SERVICE			
General Revenue Fund	10,871,124	6,749,606	6,837,740
Federal Funds	1,345,577	1,688,006	1,748,006
Other Funds	221,845	427,464	427,464
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,749,817	2,355,996	2,899,633
Federal Funds	4,117,887	8,929,097	7,245,091
Other Funds	652,554	1,215,245	1,315,245
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	291,000	300,000	300,000
Federal Funds	23,805,196	27,377,353	27,387,109
Other Funds	7,664,742	8,004,352	8,004,352
TOTAL			
General Revenue Fund	12,911,941	9,405,602	10,037,373
Federal Funds	29,268,660	37,994,456	36,380,206
Other Funds	8,539,141	9,647,061	9,747,061
Total Full-time Equivalent Employees	347.20	158.79	159.09
General Revenue Fund	316.83	115.84	115.99
Federal Funds	26.05	31.45	31.60
Other Funds	4.32	11.50	11.50

The Office of the Director implements the plans and policies of the seven-member Mental Health Commission, which is appointed by the Governor, and manages the department. The Office of the Deputy Director is in charge of internal audits, quality improvement, and deaf services and houses the Office of Clinical Services for Children, Youth and Families. The Office of Public Affairs/Legislative Liaison disseminates information about mental health programs and reviews state and federal legislation. The Office of Transformation provides staff and infrastructure support to the Governor-appointed Transformation Working Group to develop and implement a statewide needs assessment, inventory of resources, and a Comprehensive Mental Health Plan for Missouri centered on the six goals of the President's New Freedom Commission Report. The Office of Administration provides management and fiscal support.

Fiscal Year 2011 Governor's Recommendations

- \$1,250,000 to replace federal budget stabilization funds for the MO HealthNet Mental Health Partnership.
- \$480,000 federal funds for the Futures Now: Transitioning Youth Partnership Grant.
- \$438,912 federal funds for the Shelter Plus Care grant, which provides rental assistance to the homeless population with serious mental illness.
- \$100,000 Mental Health Earnings Fund for training costs related to Mental Health First Aid.
- \$23,932 and .3 staff core reallocation from various divisions.
- (\$2,657,025) core reduction from the Fiscal Year 2010 appropriation level, including (\$623,863) general revenue.
- (\$500,000) federal funds core reallocation to the Division of Comprehensive Psychiatric Services.
- (\$18,298) transferred to the Office of Administration for statewide consolidation of facility maintenance functions.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF ALCOHOL AND DRUG ABUSE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Alcohol and Drug Abuse	\$ 104,722,301	\$ 122,061,325	\$ 118,893,840
PERSONAL SERVICE			
General Revenue Fund	2,552,707	2,447,271	1,453,939
Federal Funds	1,996,570	2,529,274	2,489,396
Other Funds	389,326	439,328	442,302
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,453,379	3,520,631	4,493,188
Federal Funds	3,609,687	6,984,238	6,940,500
Other Funds	392,851	2,196,191	559,661
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	28,814,437	29,076,856	28,416,328
Federal Funds	49,689,779	59,550,550	57,456,017
Other Funds	14,823,565	15,316,986	16,642,509
TOTAL			
General Revenue Fund	33,820,523	35,044,758	34,363,455
Federal Funds	55,296,036	69,064,062	66,885,913
Other Funds	15,605,742	17,952,505	17,644,472
Total Full-time Equivalent Employees	101.96	121.51	96.88
General Revenue Fund	46.39	51.01	27.43
Federal Funds	46.24	60.00	58.95
Other Funds	9.33	10.50	10.50

The Division of Alcohol and Drug Abuse has the responsibility of ensuring that treatment and prevention services are accessible to persons with substance abuse, gambling disorders, and those at risk for substance abuse and compulsive gambling. The division achieves these goals through community-based providers, a state-operated facility, and Comprehensive Substance Treatment and Rehabilitation programs (CSTAR). The division offers an array of services, including detoxification from drugs and alcohol, outpatient services, and residential support. The CSTAR programs offer comprehensive services through three levels of care based on need and severity of addiction. The division has established CSTAR programs specifically for pregnant women and their children, programs specifically for adolescents, and programs specifically for opioid dependent individuals. The division's administrative responsibilities include fiscal oversight, technical assistance, training, standard setting to ensure quality services, research, public information dissemination, clinical review, and service authorization. Missouri receives federal funds for the Substance Abuse Prevention and Treatment Block Grant, the Center for Substance Abuse Treatment, the Center for Substance Abuse Prevention, the U.S. Department of Education, the U.S. Department of Justice, and the Office of Juvenile Justice and Delinquency Prevention.

Fiscal Year 2011 Governor's Recommendations

- \$672,800 for anticipated caseload increases in the MO HealthNet program, including \$244,933 general revenue.
- \$209,923 to address the change in the federal participation percentage, including \$122,539 general revenue.
- \$203,865 Mental Health Earnings Fund to purchase substance abuse services.
- \$103,200 for increased medication costs due to inflation.
- (\$2,153,261) and (24.48) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$112,009) general revenue.
- (\$1,164,046) federal funds core reduction for one-time expenditures.
- (\$1,028,000) core reduction for non-Medicaid treatment services.
- (\$11,966) and (.15) staff core reallocation to various divisions.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Comprehensive Psychiatric Services	\$ 399,610,426	\$ 421,567,480	\$ 420,464,122
PERSONAL SERVICE			
General Revenue Fund	146,775,189	141,190,614	136,140,888
Federal Funds	6,276,785	6,451,424	6,779,143
Other Funds	0	447,558	447,558
EXPENSE AND EQUIPMENT			
General Revenue Fund	40,683,073	40,305,823	42,304,180
Federal Funds	4,319,782	6,531,303	9,225,298
Other Funds	0	0	801,175
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	106,349,922	110,610,093	108,970,541
Federal Funds	94,495,376	114,660,505	114,237,335
Other Funds	710,299	1,370,160	1,558,004
TOTAL			
General Revenue Fund	293,808,184	292,106,530	287,415,609
Federal Funds	105,091,943	127,643,232	130,241,776
Other Funds	710,299	1,817,718	2,806,737
Total Full-time Equivalent Employees	4,494.73	4,220.94	4,053.22
General Revenue Fund	4,352.85	4,045.05	3,867.75
Federal Funds	141.88	157.89	167.47
Other Funds	0.00	18.00	18.00

The Division of Comprehensive Psychiatric Services (CPS) is charged with the delivery of psychiatric services to individuals with mental illness throughout the State of Missouri.

Missouri's mental health system serves four target populations: persons with serious and persistent mental illness, persons suffering from acute psychiatric conditions, children and youth with serious emotional disturbances, and forensic clients. In addition, CPS has identified four priority groups within the target populations: individuals in crisis, people who are homeless, those recently discharged from inpatient care, and substantial users of public funds. These target populations currently constitute the majority of clientele whom the division serves both in inpatient and ambulatory settings.

The division divides Missouri into 25 service areas. Each service area has a community mental health center which provides psychiatric services to individuals in need and is designated as the division's administrative agent. These administrative agents serve as the primary entry and exit point for state mental health services. The agents are responsible for the assessment and services provided to both adults and children in their assigned areas and for providing follow-up services for individuals released from state-operated inpatient hospitals.

CPS operates eight adult inpatient facilities, one children's psychiatric hospital, and one children's residential center. There is an additional 10-bed children's acute unit at one of the adult inpatient facilities. The division also operates and oversees a program for sexually violent predators committed to state custody by the courts.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES**

Fiscal Year 2011 Governor's Recommendations

- \$5,220,110 for anticipated caseload increases in the MO HealthNet program, including \$1,932,342 general revenue.
- \$1,561,200 and 30.7 staff to accommodate population increases within the Sex Offender Rehabilitation and Treatment Services.
- \$1,300,000 federal funds to replace general revenue funding.
- \$918,232 for increased medication costs due to inflation.
- \$867,191 to address the change in the federal participation percentage, including \$854,347 general revenue.
- \$801,175 Mental Health Earnings Fund for operating expenses.
- \$480,703 DMH Local Tax Matching Fund to increase the partnership with the Franklin County Community Resource Board.
- \$434,929 for the increased cost of health care services.
- \$73,212 for the pharmacy contract at Northwest Missouri Psychiatric Rehabilitation Center.
- \$45,990 to provide rate equity for children's residential providers.
- \$500,000 federal funds core reallocation from the Office of the Director.
- \$141,357 transferred from the Office of Administration for fringe benefits to contract for physician services.
- (\$3,540,000) core reduction for non-Medicaid treatment services.
- (\$2,884,723) and (92.95) staff transferred to the Office of Administration for consolidation of facility maintenance functions.
- (\$2,113,746) and (42.5) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$834,319) general revenue.
- (\$1,543,071) core reduction for one-time expenditures, including (\$27,571) general revenue.
- (\$1,311,122) and (29.72) staff core reduction for closure of one ward at Metropolitan St. Louis Psychiatric Center.
- (\$1,300,000) core reduction due to increased federal dollars.
- (\$461,008) and (33.25) staff core reduction for Center for Behavioral Medicine children's ward, which is not currently operating.
- (\$293,787) transferred to the Department of Corrections for the Social Rehabilitation Unit at the Farmington Correctional Center.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF DEVELOPMENTAL DISABILITIES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Developmental Disabilities	\$ 584,248,482	\$ 610,874,360	\$ 629,777,544
PERSONAL SERVICE			
General Revenue Fund	101,070,226	79,390,780	74,780,985
Federal Funds	12,878,964	40,290,601	39,966,565
EXPENSE AND EQUIPMENT			
General Revenue Fund	13,068,701	11,247,978	10,977,331
Federal Funds	2,326,791	5,727,780	5,727,780
Other Funds	290,000	0	0
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	150,970,321	167,628,266	177,167,201
Federal Funds	288,380,240	293,735,185	306,778,428
Other Funds	15,263,239	12,853,770	14,379,254
TOTAL			
General Revenue Fund	265,109,248	258,267,024	262,925,517
Federal Funds	303,585,995	339,753,566	352,472,773
Other Funds	15,553,239	12,853,770	14,379,254
Total Full-time Equivalent Employees	3,984.74	3,790.55	3,629.07
General Revenue Fund	3,603.75	2,423.17	2,260.42
Federal Funds	380.99	1,367.38	1,368.65

The Division of Developmental Disabilities operates several facilities and purchases residential, habilitative, and support services for consumers who live in the community and for families who keep their developmentally disabled children at home. This is a key element in the development of an integrated system that will enable developmentally disabled consumers to live as normally and independently as their conditions and behavior permit. Community-based services range from residential placements to support services for persons living with their families or in their own apartments. The Medicaid home and community-based waivers play a major role in the division's community service system. The 11 regional offices are the entry and exit points for consumers. The offices provide screening and diagnostic services for both children and adults, evaluate the need for services and arrange for them, and monitor and assess consumers' progress.

The division provides residential services at the six state habilitation centers. These centers offer training and habilitation for individuals who require Intermediate Care Facility for Mentally Retarded (ICF/MR) services because of the severity of their disabilities or for behavioral reasons. Those who can successfully transition are eventually moved into appropriate community settings, with the goal of integrating them as fully as possible into normal community life.

Fiscal Year 2011 Governor's Recommendations

- \$17,207,678 for anticipated caseload increases in the MO HealthNet program, including \$6,232,494 general revenue.
- \$6,875,000 to expand the Autism waiver, including \$2,500,000 general revenue.
- \$2,306,941 to address the change in the federal participation percentage.
- \$1,525,484 Home and Community-Based Developmental Disabilities Waiver Reimbursement Allowance Fund to purchase community support services for individuals with developmental disabilities, pending Centers for Medicare and Medicaid Services approval.
- \$1,288,413 federal funds and 47 staff to replace general revenue for transition from ICF/MR to waiver slots at Higginsville Habilitation Center and Southeast Missouri Residential Services.
- \$350,000 federal funds and 15.5 staff to replace general revenue for transition to a state-operated group home waiver at Bellefontaine Habilitation Center.
- \$136,184 for the increased cost of health care services.
- \$4,028 for increased medication costs due to inflation.
- (\$3,271,738) and (22.55) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$964,797) general revenue.
- (\$2,405,978) and (77.05) staff transferred to the Office of Administration for statewide consolidation of facility maintenance functions.
- (\$1,962,449) federal funds and (61.73) staff core reduction for one-time expenditures.
- (\$1,500,000) core reduction for non-Medicaid treatment services.
- (\$1,288,413) and (47) staff core reduction for transition from ICF/MR to waiver slots at Higginsville Habilitation Center and Southeast Missouri Residential Services.
- (\$350,000) and (15.5) staff core reduction for transition to a state-operated group home waiver at Bellefontaine Habilitation Center.
- (\$11,966) and (.15) staff core reallocation to various divisions.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Health Administration	\$ 13,700,003	\$ 13,002,101	\$ 13,002,101	\$ 12,839,725
Division of Community and Public Health	274,143,735	264,540,858	276,665,961	276,501,943
Center for Emergency Response and Terrorism	20,508,138	23,328,266	23,328,266	23,328,266
State Public Health Laboratory	8,753,201	9,528,733	9,528,733	9,426,516
Division of Senior and Disability Services	544,029,208	555,362,941	593,627,082	587,454,353
Division of Regulation and Licensure	23,975,291	26,789,712	26,789,712	26,823,387
DEPARTMENTAL TOTAL	\$ 885,109,576	\$ 892,552,611 *	\$ 942,941,855	\$ 936,374,190
General Revenue Fund	248,628,623	247,247,017	258,767,607	260,274,465
Federal Budget Stabilization Fund	0	2,027,500	0	0
Federal Funds	612,679,775	619,002,497	659,155,651	650,455,128
Nursing Facility Federal Reimbursement Allowance Fund	0	0	0	725,000
Nursing Facility Quality of Care Fund	1,927,782	2,309,158	2,309,158	2,309,158
Health Initiatives Fund	6,684,711	5,413,806	5,413,806	5,413,806
Health Access Incentive Fund	3,293,561	3,224,149	3,224,149	3,224,149
Elderly Home-Delivered Meals Trust Fund	67,836	100,000	100,000	100,000
Missouri Public Health Services Fund	5,229,040	6,077,597	6,820,597	6,820,597
Professional and Practical Nursing Student Loan and Nurse Loan Repayment Fund	498,363	604,178	604,178	604,178
Healthy Families Trust Fund	199,991	0	0	0
Department of Health and Senior Services Document Services Fund	644,589	741,638	741,638	741,638
Department of Health - Donated Fund	3,092,614	2,096,796	2,096,796	2,096,796
Safe Drinking Water Fund	0	435,197	435,197	435,197
Hazardous Waste Fund	207,910	265,011	265,011	265,011
Head Injury Fund	852,395	1,149,900	1,149,900	1,149,900
Putative Father Registry Fund	60,672	121,227	121,227	121,227
Missouri Health Care Access Fund	0	1	1	1
Organ Donor Program Fund	132,851	303,675	303,675	303,675
Early Childhood Development, Education and Care Fund	674,118	993,086	993,086	993,086
Missouri Lead Abatement Loan Fund	0	76,000	76,000	76,000
Childhood Lead Testing Fund	47,859	50,230	50,230	50,230
Governor's Council on Physical Fitness Institution Gift Trust Fund	20,058	50,000	50,000	50,000
Other Funds	166,828	263,948	263,948	164,948
Total Full-time Equivalent Employees	1,808.26	1,893.77	1,893.77	1,858.75
General Revenue Fund	699.16	709.24	709.24	674.22
Federal Funds	1,021.63	1,079.94	1,079.94	1,079.94
Other Funds	87.47	104.59	104.59	104.59

* Does not include \$58,682,584 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Health and Senior Services supplemental appropriations.

DEPARTMENT SUMMARY

Governor Nixon supports continued use of Home and Community-Based Services to meet the needs of Missouri's elderly and disabled populations in the least restrictive environment. Ways to deliver services in the most cost effective manner possible are continually being explored by the department. After a review of the entire Medicaid program, Governor Nixon recommends various program changes necessary to continue to afford services in future years. Fiscal Year 2011 efforts include:

Third Party Assessment

The department will pursue a contract with an independent third party to conduct intake and reassessment. These assessments determine eligibility and level of service need. Having one state-level intake and assessment process ensures an accurate and objective assessment. The department has already begun work implementing a web based case management system which can be utilized by the independent party to further streamline this process.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

High Cost Review

A team will be established to review high cost cases to ensure that recipients are receiving appropriate service levels. The department will establish a threshold that will prompt a review of an individual's service plan involving all agencies authorizing and reimbursing for services. This will establish a process for reduction of unnecessary services or justification of these services.

Telephony

Providers will use an electronic voice interactive system in which all personal care assistants will report attendance and work performed. This system will improve accuracy in recordkeeping resulting in long term savings.

Utilization Management

Personal care assistance services will be capped at a monthly average of 3.5 hours per day. For clients with advanced care needs, an alternative option will be available. The advanced personal care service rate will be eliminated; these services will be provided under the personal care rate. Additionally, the Adult Day Health Care benefit will be reduced from seven to five days per week. These utilization strategies are necessary to continue to afford continuation of these services.

The Fiscal Year 2011 budget provides \$936.4 million for the Department of Health and Senior Services.

The primary responsibilities of the department include:

- Safeguarding the public health, safety, and well-being of all Missourians.
- Providing health services and in-home and community programs for seniors and people with disabilities.
- Preventing and controlling communicable and genetic diseases.
- Preventing and reducing the burden of chronic disease.
- Protecting Missourians through regulation and inspection of facilities, including hospitals, nursing homes and other long-term care facilities, and child and adult day care programs, with an emphasis on timely and complete complaint investigations.
- Attending to the specific needs of Missouri's women and minority populations through education, outreach, and the promotion of treatment programs unique to health care issues of these groups.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
HEALTH ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Health Administration TOTAL	\$ 13,700,003	\$ 13,002,101	\$ 12,839,725
PERSONAL SERVICE			
General Revenue Fund	1,321,223	1,344,353	1,275,385
Federal Funds	4,029,838	4,102,443	4,102,443
Other Funds	109,157	179,417	179,417
EXPENSE AND EQUIPMENT			
General Revenue Fund	318,089	332,579	239,171
Federal Funds	5,635,600	2,983,076	2,933,076
Other Funds	2,227,938	859,337	859,337
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	2,000	2,000
Federal Funds	58,158	3,010,001	3,060,001
Other Funds	0	188,895	188,895
TOTAL			
General Revenue Fund	1,639,312	1,678,932	1,516,556
Federal Funds	9,723,596	10,095,520	10,095,520
Other Funds	2,337,095	1,227,649	1,227,649
Total Full-time Equivalent Employees	127.06	128.16	126.52
General Revenue Fund	29.30	37.73	36.09
Federal Funds	95.34	88.59	88.59
Other Funds	2.42	1.84	1.84

The Director's Office and the Division of Administration perform the coordination and control functions necessary to ensure efficient, cost-effective use of state resources for all Missouri public health and senior services programs. Responsibilities and services include budgeting, legislative review, accounting, expenditure control, purchasing, contract and grant administration, general office support, legal services, public affairs, strategic planning, and personnel management and training.

Fiscal Year 2011 Governor's Recommendations

- (\$162,376) and (1.64) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF COMMUNITY AND PUBLIC HEALTH**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Community and Public Health			
TOTAL	\$ 274,143,735	\$ 264,540,858	\$ 276,501,943
PERSONAL SERVICE			
General Revenue Fund	7,765,356	7,781,361	7,345,138
Federal Funds	14,591,873	16,834,058	16,834,058
Other Funds	1,093,838	1,454,059	1,454,059
EXPENSE AND EQUIPMENT			
General Revenue Fund	20,598,206	20,581,220	7,315,051
Federal Funds	42,053,785	40,265,424	26,734,469
Other Funds	7,802,616	8,238,432	8,139,432
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	2,621,970	1,974,253	15,611,627
Federal Funds	172,346,751	162,887,697	187,800,755
Other Funds	5,269,340	4,524,354	5,267,354
TOTAL			
General Revenue Fund	30,985,532	30,336,834	30,271,816
Federal Funds	228,992,409	219,987,179	231,369,282
Other Funds	14,165,794	14,216,845	14,860,845
Total Full-time Equivalent Employees	564.80	616.59	605.93
General Revenue Fund	193.67	186.71	176.05
Federal Funds	344.47	394.54	394.54
Other Funds	26.66	35.34	35.34

The Division of Community and Public Health, in partnership with 115 local public health agencies, is responsible for providing an effective and responsive public health system in Missouri in order to promote health, prevent disease, and protect all persons living in or traveling through the state. The division addresses this mission through a variety of actions, including monitoring and epidemiological services for environmentally induced conditions and communicable and zoonotic diseases. Additionally, diagnostic and treatment services for tuberculosis, HIV/AIDS, and STDs are provided in collaboration with local public health agencies and other clinical partners.

Public health functions include the collection, analysis, and dissemination of data that identify the current health status, emerging health problems, and the unmet health needs of Missourians. Issuance of birth and death certificate copies, and maintenance of documentation of marriages and dissolutions are also managed through the division. The health needs of women and minority populations in the state are addressed through the Office of Women's Health and the Office of Minority Health, respectively. The division also reduces the risk of disease and illness in Missouri by implementing and assuring good sanitation and safety practices in commercial lodging establishments, on-site sewage systems, and lead remediators. Finally, the division administers programs for maternal, child, and family health including children with special health care needs, nutritional health, chronic disease prevention, health promotion, head injury rehabilitation, genetic disorders, and community health improvement, as well as encouraging nurses, doctors, and dentists to locate in medically underserved areas of the state.

Fiscal Year 2011 Governor's Recommendations

- \$10,937,494 federal funds for the Child and Adult Care Food Program, Summer Food Service Program, and the Women, Infants, and Children Supplemental Nutrition Program.
- \$2,144,609 federal funds for the AIDS Drug Assistance Program.
- \$743,000 Missouri Public Health Services Fund to provide follow-up services for sickle cell disease and other metabolic disorders.
- \$700,000 to replace federal budget stabilization funds for youth tobacco prevention and cessation programs.
- \$250,000 to replace federal budget stabilization funds for Missouri Area Health Education Centers.
- (\$1,700,000) Federal Budget Stabilization Fund core reduction for one-time expenditures.
- (\$1,015,018) and (10.66) staff core reduction from the Fiscal Year 2010 appropriation level.
- (\$99,000) Blindness, Education, Screening, and Treatment Fund transferred to the Department of Social Services for children's vision screenings.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
CENTER FOR EMERGENCY RESPONSE AND TERRORISM**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Center for Emergency Response and Terrorism TOTAL	\$ 20,508,138	\$ 23,328,266	\$ 23,328,266
PERSONAL SERVICE	2,747,167	3,148,731	3,148,731
EXPENSE AND EQUIPMENT	2,491,320	2,360,747	2,360,747
PROGRAM SPECIFIC DISTRIBUTION	15,269,651	17,818,788	17,818,788
TOTAL			
Federal Funds	20,508,138	23,328,266	23,328,266
Total Full-time Equivalent Employees	57.09	63.01	63.01
Federal Funds	57.09	63.01	63.01

The Center for Emergency Response and Terrorism is responsible for coordinating regional and state preparedness for public health emergencies and natural disasters, including chemical, biological, radiological, and nuclear terrorism. Through partnerships with local public health agencies, health care organizations, local government agencies, first responders, and other public and private partners, the center works to assure that systems and programs are in place to protect the health of Missourians during a public health emergency.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
STATE PUBLIC HEALTH LABORATORY**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Public Health Laboratory TOTAL	\$ 8,753,201	\$ 9,528,733	\$ 9,426,516
PERSONAL SERVICE			
General Revenue Fund	1,595,818	1,665,620	1,606,395
Federal Funds	480,927	634,826	634,826
Other Funds	1,250,352	1,343,512	1,343,512
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,029,443	640,608	597,616
Federal Funds	858,857	1,167,389	1,167,389
Other Funds	3,537,804	4,076,778	4,076,778
TOTAL			
General Revenue Fund	2,625,261	2,306,228	2,204,011
Federal Funds	1,339,784	1,802,215	1,802,215
Other Funds	4,788,156	5,420,290	5,420,290
Total Full-time Equivalent Employees	87.29	98.70	97.01
General Revenue Fund	42.82	46.17	44.48
Federal Funds	13.26	17.70	17.70
Other Funds	31.21	34.83	34.83

The State Public Health Laboratory analyzes samples from newborns for metabolic conditions, conducts tests of human samples for suspected disease agents, and tests materials suspected in biological, chemical, and radiological terrorism. Each year nearly four hundred thousand specimens are submitted to the laboratory for testing and examination. The laboratory performs tests for communicable and infectious diseases, including: tuberculosis, HIV, sexually transmitted diseases, rabies, immunizable diseases, and others. The lab also tests public and private water supplies, performs screenings for childhood lead poisoning, and examines milk and food suspected of causing disease outbreaks.

Fiscal Year 2011 Governor's Recommendations

- (\$102,217) and (1.69) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF SENIOR AND DISABILITY SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Senior and Disability Services			
TOTAL	\$ 544,029,208	\$ 555,362,941	\$ 587,454,353
PERSONAL SERVICE			
General Revenue Fund	7,532,011	7,805,375	7,429,249
Federal Funds	9,488,495	9,368,511	9,591,823
EXPENSE AND EQUIPMENT			
General Revenue Fund	743,328	777,014	663,800
Federal Funds	907,318	1,159,955	936,643
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	195,458,408	193,490,456	208,028,180
Federal Funds	329,831,812	342,661,629	360,704,657
Other Funds	67,836	100,001	100,001
TOTAL			
General Revenue Fund	203,733,747	202,072,845	216,121,229
Federal Funds	340,227,625	353,190,095	371,233,123
Other Funds	67,836	100,001	100,001
Total Full-time Equivalent Employees	481.22	481.65	473.59
General Revenue Fund	215.61	215.31	207.25
Federal Funds	265.61	266.34	266.34

The Division of Senior and Disability Services is mandated to investigate allegations of abuse, neglect, and financial exploitation of vulnerable elderly and disabled Missourians based on reports received at a state-wide toll-free hotline. Designated as the State Unit on Aging, the division is responsible for assuring that a comprehensive, effective, and coordinated home and community-based long-term care delivery system is available for elderly and disabled individuals. The division informs individuals considering long-term care about their options for home care and provides appropriate referrals; authorizes Medicaid funded home and community-based services; provides care plan management for home care service recipients (both Medicaid recipients and non-Medicaid eligible recipients); and provides oversight and monitors contracts of service providers. The State Long-Term Care Ombudsman Program advocates for the rights of residents in licensed long-term care facilities and educates volunteers to assist residents in facilities across the state. Funding for the Area Agencies on Aging (AAAs) helps provide seniors the services they need to continue to live in their communities, including congregate and home-delivered meals, transportation, legal services, health promotion, and other support services authorized under the Older Americans Act. The division also provides guidance, oversight, and monitoring of the programs and services offered by the AAAs. These flexible service delivery systems help empower thousands of elderly and adults with disabilities to live dignified, independent lives in their own homes and communities.

Fiscal Year 2011 Governor's Recommendations

- \$48,569,127 to meet increases in demand for MO HealthNet Home and Community-Based Services Program, including \$17,681,590 general revenue.
- \$2,818,660 to address the change in the federal participation percentage.
- \$1,042,768 to replace federal budget stabilization funds for services provided by the Area Agencies on Aging.
- \$200,000 to replace federal budget stabilization funds for services to transition immigrants from Medicaid to Medicare.
- \$127,500 to replace federal budget stabilization funds for services provided by the Naturally Occurring Retirement Community.
- (\$15,250,175) core reduction for Home and Community Based Services Program utilization management, including (\$5,551,826) general revenue.
- (\$5,088,968) and (8.06) core reduction from the Fiscal Year 2010 appropriation level, including (\$2,270,308) general revenue.
- (\$327,500) Federal Budget Stabilization Fund core reduction for one-time expenditures.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF REGULATION AND LICENSURE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Division of Regulation and Licensure TOTAL	\$ 23,975,291	\$ 26,789,712	\$ 26,823,387
PERSONAL SERVICE			
General Revenue Fund	8,924,707	9,909,399	9,298,621
Federal Funds	10,660,397	10,732,023	10,732,023
Other Funds	1,147,637	1,348,020	1,348,020
EXPENSE AND EQUIPMENT			
General Revenue Fund	720,064	942,779	862,232
Federal Funds	1,227,826	1,894,699	1,183,724
Other Funds	1,294,660	1,962,792	1,186,552
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	0	710,975
Other Funds	0	0	1,501,240
TOTAL			
General Revenue Fund	9,644,771	10,852,178	10,160,853
Federal Funds	11,888,223	12,626,722	12,626,722
Other Funds	2,442,297	3,310,812	4,035,812
Total Full-time Equivalent Employees	490.80	505.66	492.69
General Revenue Fund	217.76	223.32	210.35
Federal Funds	245.86	249.76	249.76
Other Funds	27.18	32.58	32.58

The Division of Regulation and Licensure is responsible for assuring that the care and services provided by hospitals, ambulatory surgical centers, and other health care facilities, home health agencies, hospices, long-term care facilities, intermediate care facilities (including those for the developmentally disabled), skilled nursing facilities, child-care providers, ambulances, emergency medical technicians, and those who prescribe or dispense controlled substances meet state and/or federal standards. The division fulfills its regulatory responsibilities through license issuance, inspections and surveys, compliance monitoring visits, complaint investigations, enforcement activities, and through training and intervention. For those providers who are certified for Medicare and Medicaid, the division performs various functions on behalf of the Centers for Medicare and Medicaid Services (CMS). The division also includes the Family Care Safety Registry, which registers caregivers and provides background screenings to families and employers who want to hire a caregiver for children, the elderly, and people with disabilities. The Board of Nursing Home Administrators and the Missouri Health Facilities Review Committee are also part of the Division of Regulation and Licensure. The Board licenses, tests, and provides oversight for nursing home administrators. The Health Facilities Review Committee focuses on health care cost containment through a certificate of need process.

Fiscal Year 2011 Governor's Recommendations

- \$725,000 Nursing Facility Federal Reimbursement Allowance Fund for nursing home quality improvement initiatives.
- (\$691,325) and (12.97) staff core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF SOCIAL SERVICES

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 22,284,293	\$ 25,518,049	\$ 25,343,811	\$ 25,279,262
Family Support Division	564,491,252	498,382,085	498,727,822	492,493,108
Children's Division	509,049,276	531,569,054	531,406,627	526,977,713
Division of Youth Services	61,522,262	63,194,195	62,484,434	62,126,082
MO HealthNet Division	5,752,490,297	6,343,978,287	6,589,046,879	6,791,313,013
DEPARTMENTAL TOTAL	\$ 6,909,837,380	\$ 7,462,641,670 *	\$ 7,707,009,573	\$ 7,898,189,178
General Revenue Fund	1,433,790,546	1,516,013,903	1,589,302,710	1,627,724,418
Federal Budget Stabilization Fund	0	2,587,500	3,794,918	0
Title XIX - Federal Funds and Other Funds	2,770,780,032	3,256,421,616	3,341,123,208	3,364,533,377
Temporary Assistance for Needy Families - Federal Funds	150,337,413	155,341,262	155,341,262	155,224,972
DSS - Federal and Other Funds	609,418,715	586,871,385	578,542,522	576,298,195
Uncompensated Care Fund	96,575,451	91,000,001	91,000,001	91,000,001
Pharmacy Rebates Fund	96,005,354	96,355,527	96,355,527	104,381,357
Third Party Liability Collections Fund	15,003,814	22,396,268	22,396,268	22,396,268
Intergovernmental Transfer Fund	69,329,227	66,300,000	70,348,801	136,080,463
Federal Reimbursement Allowance Fund	1,126,621,199	1,122,834,493	1,186,163,887	1,186,163,887
Pharmacy Reimbursement Allowance Fund	99,862,996	62,922,161	99,192,449	148,304,883
MO HealthNet Managed Care Organization Reimbursement Allowance Fund	50,683,825	11,745,956	2	2
Family Services Donations Fund	10,094	133,994	133,994	133,994
Child Support Enforcement Fund	9,775,693	11,118,590	11,118,590	11,413,878
Nursing Facility Federal Reimbursement Allowance Fund	187,195,492	245,822,055	245,822,055	245,822,055
Nursing Facility Quality of Care Fund	305,216	90,794	90,794	90,794
Health Initiatives Fund	23,241,170	20,583,585	20,583,585	20,583,585
Gaming Commission Fund	453,315	500,000	500,000	500,000
DSS Administrative Trust Fund	5,447,547	5,452,035	5,452,035	5,452,035
DSS Educational Improvement Fund	6,283,019	5,853,082	5,853,082	6,603,082
Blind Pension Fund	29,353,865	31,994,636	33,591,056	34,311,970
Healthy Families Trust Fund	64,779,494	64,779,494	64,779,494	64,779,494
Life Sciences Research Trust Fund	28,311,716	28,725,000	28,725,000	38,000,000
Youth Services Products Fund	0	1	1	1
Missouri Rx Plan Fund	4,593,246	10,730,525	10,730,525	10,730,525
Youth Services Treatment Fund	0	999	999	999
Early Childhood Development, Education and Care Fund	10,833,119	14,517,191	14,517,191	14,917,036
Premium Fund	8,984,443	10,230,392	10,230,392	10,230,392
Blindness Education, Screening and Treatment Program Fund	126,805	250,000	250,000	349,000
Alternative Care Trust Fund	11,734,574	12,000,000	12,000,000	12,000,000
Ambulance Service Reimbursement Allowance Fund	0	9,069,225	9,069,225	10,162,515
Total Full-time Equivalent Employees	8,322.07	8,093.20	7,970.90	7,794.68
General Revenue Fund	3,234.75	2,270.79	2,231.43	2,123.45
Federal Funds	4,681.72	5,249.37	5,168.47	5,100.20
Other Funds	405.60	573.04	571.00	571.03

* Does not include \$214,788,935 recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Social Services supplemental appropriations.

DEPARTMENT OF SOCIAL SERVICES

DEPARTMENT SUMMARY

Governor Nixon's Fiscal Year 2011 budget preserves essential services for Missouri's most vulnerable populations: seniors, children, and people with disabilities. His budget also includes multiple proposals to improve the efficiency of all programs within the Department of Social Services. By increasing efficiency and reducing costs, vital services can be preserved even with growing caseloads driven by the national economic downturn.

Improving the Efficiency of Health Care Services

Unemployment due to the recession has increased Medicaid caseloads, contributing to the increased cost of the program requiring an additional \$268.7 million to cover the growth at a time when state revenues are stagnant. Governor Nixon's administration has worked with program providers and Medicaid consultants to lower costs and improve client outcomes. Through these efforts, \$122 million general revenue will be saved without changing eligibility or eliminating services. The initiatives will provide even greater cost containment in future years. They will focus on several key initiatives, across all services and provider types, for example:

- Focusing on high-cost users – Better management of very high-cost clients across all service areas will reduce costs, and lead to better health outcomes for clients. By reviewing all services provided to these high-cost clients, duplicative and inappropriate care can be eliminated.
- Improving coordination of benefits with other insurers – Some Medicaid clients are eligible for other insurance coverage, including Medicare. For example, certain hospital outpatient and nursing home costs are covered by Medicaid that could be paid by Medicare. Policies will be changed to make sure other insurers pay these costs.
- Enhancing service review – Missouri will improve its review of services across multiple providers. Precertification of imaging services will be required; a third party contractor will perform the intake and assessment of clients for long-term care services; use of telephony will ensure home and community-based services are appropriately paid; and better management of psychotropic prescriptions will be achieved through clinical review.
- Ensuring provider rates are efficient – Some Medicaid rates in Missouri are higher than Medicare rates or higher than typical rates paid by private insurers. Provider rates in these very limited areas, such as specialty physician services, rehabilitation services, outpatient hospital, and durable medical equipment will be reduced. In addition, changes will be made to improve the efficiency of rates paid to managed care plans.

Enhancing Quality and Care for Missouri's Neediest Children

Governor Nixon has placed priority on protecting quality services for Missouri's children and families through child protective services. All of Missouri's 45 judicial circuits and the state's Central Administration and Child Abuse and Neglect Hotline have been awarded accreditation by the national Council on Accreditation. This achievement has been an accumulation of efforts since 2004 and results in the entire state child welfare system exemplifying best practice standards while still planning for continuous quality improvement. Missouri's Children's Division represents one of only a handful of states that have achieved full accreditation.

Supporting Working Families

An essential component to low-income families finding and sustaining work is affordable access to child care. The Governor's budget uses federal funds to avoid childcare waitlists without reducing current income eligibility levels for subsidies. Federal funding will be used to increase access to childcare for parents participating in workforce activities. Currently, only households receiving Temporary Assistance for Needy Families (TANF) are eligible for childcare while performing job search activities. Federal funding will be used to extend this eligibility for low-income, non-TANF households that are also participating in job search activities for up to eight weeks. This will allow unemployed parents the ability to place their child in appropriate child care settings while finding work to sustain their family. To ensure quality performance from child care providers, federal childcare funding will be used to provide grants to facilities for the improvement and sustainability of licensing standards and support the education of child care practitioners.

DEPARTMENT OF SOCIAL SERVICES

Reducing Administrative Costs

Under Governor Nixon's leadership, state agencies have minimized the negative impact on services by dramatically reducing administrative costs and by developing methods to provide core services in the most efficient way possible. A thorough review of program operations was performed to locate cost saving measures.

- The Division of Youth Services will consolidate support functions by regionalizing bill payment processes and maintenance functions without compromising the treatment or safety of the youth in custody.
- The department will eliminate telephone maintenance contracts, control postage costs, and purchase vehicles through the SMART Lease program rather than reimbursing staff for mileage incurred from job-related travel.
- The Family Support Division will restructure child support enforcement personnel, terminate a child support contract for hard-to-collect cases, and absorb these collection duties in-house. The division will also use federal matching authority to address the administrative hearings backlog and improve collection efforts.
- The department employs over 8,000 staff across 114 counties and the city of St. Louis. While the budget includes over 300 staff reductions, every effort has been taken to avoid lay-offs. Approximately two-thirds of this reduction will be maintained through hiring freezes of income maintenance workers in county offices. In order to operate efficiently, the current county structure needs to be more flexible.

The Fiscal Year 2011 budget provides \$7.9 billion to the Department of Social Services. The core functions provided by the Department of Social Services include:

- Protecting the welfare of Missouri's children through foster care, child abuse and neglect investigations, children's treatment, purchase of child care, and adoption assistance.
- Administering income support programs and many of the state's child support enforcement functions, such as, Temporary Assistance for Needy Families, Food Stamps, Energy Assistance, Blind Pension, Supplemental Aid to the Blind, Domestic Violence, and Medicaid eligibility.
- Providing case management, community care, and aftercare to youth committed to the state's custody for various crimes. The Juvenile Court Diversion Program works with local communities to help prevent juvenile crime and provide treatment for youth in their own communities.
- Administering health care delivery to over 900,000 of Missouri's neediest citizens, including the elderly, disabled, children, and pregnant women. The Medicaid Program (Title XIX of the Social Security Act) is a federal-state effort to meet the health care needs of those who cannot pay for their own care. The health care services include hospital, physician, pharmacy, skilled nursing home care, home health care, mental health, and managed care. While states must meet certain minimum criteria, each state can establish eligibility guidelines, benefit packages, and provider payment rates for its Medicaid Program.

**DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Office of the Director	\$ 559,421	\$ 468,663	\$ 467,311
Mail Center Consolidation	364,551	348,980	0
Federal Grants and Donations	3,100,275	5,954,958	5,954,958
Human Resource Center	586,652	532,270	527,009
Staff Training	275,967	268,622	257,430
Finance and Administrative Services	8,968,747	8,938,901	9,210,368
Revenue Maximization	0	250,000	250,000
Neglected and Delinquent Children	2,228,968	2,484,608	2,484,608
Legal Services	6,199,712	6,271,047	6,127,578
TOTAL	\$ 22,284,293	\$ 25,518,049	\$ 25,279,262
PERSONAL SERVICE			
General Revenue Fund	5,136,926	4,531,254	4,158,215
Federal Funds	4,423,292	4,300,184	4,242,350
Other Funds	807,668	831,024	818,511
EXPENSE AND EQUIPMENT			
General Revenue Fund	628,743	555,333	689,585
Federal Funds	3,497,110	4,049,805	4,107,639
Other Funds	5,520,331	5,579,914	5,592,427
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	2,228,968	2,484,608	2,484,608
Federal Funds	41,161	3,160,957	3,160,957
Other Funds	94	24,970	24,970
TOTAL			
General Revenue Fund	7,994,637	7,571,195	7,332,408
Federal Funds	7,961,563	11,510,946	11,510,946
Other Funds	6,328,093	6,435,908	6,435,908
Total Full-time Equivalent Employees	263.90	240.99	224.99
General Revenue Fund	128.83	119.07	105.93
Federal Funds	114.96	102.85	100.46
Other Funds	20.11	19.07	18.60

The Office of the Director includes the director, the director's staff, and the Human Resource Center (HRC). The director provides leadership for nearly 8,000 employees and the divisions of the Department of Social Services. Current focus areas include Missouri's response to federal health care reform and the development of an infrastructure to promote the application of health information technologies and the health information exchanges in the state. The HRC plans, develops, and implements statewide human resource programs and training curriculums, giving direction and coordination to all divisions in the Department of Social Services.

The Division of Finance and Administrative Services provides centralized financial and administrative support to all divisions. Financial related functions include audit support and contract compliance, budgeting, expenditure review and control, federal grants management and reporting, implementation of the department's fiscal policies, and responding to changes in federal and state fiscal policy. Administrative support services include emergency management, telecommunications, warehouse/inventory coordination and distribution, fleet management, and research and data management.

The Division of Legal Services (DLS) provides comprehensive legal support to all divisions in the department. DLS responsibilities include due process hearings for public assistance and child support recipient appeals, legal advice and representation for the Children's Division investigating fraud and abuse of public assistance programs, and conducting background investigations on department employees. The division also includes the State Technical Assistance Team (STAT), which is responsible for assisting in investigations of child abuse, neglect, exploitation, child fatality, and management and training of Missouri's Child Fatality Review Program (CFRP). DLS also coordinates the department's compliance with applicable federal and state privacy laws, such as the Health Insurance Portability and Accountability Act (HIPAA).

Fiscal Year 2011 Governor's Recommendations

- (\$238,787) and (16) staff core reduction from the Fiscal Year 2010 appropriation level.

**DEPARTMENT OF SOCIAL SERVICES
FAMILY SUPPORT DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Family Support Administration	\$ 24,497,164	\$ 34,436,730	\$ 32,671,256
Income Maintenance Field Staff and Operations	90,404,608	93,051,866	87,393,451
Family Support Staff Training	506,081	422,319	422,319
Community Partnerships	8,192,817	8,158,923	8,100,723
Missouri Mentoring Partnership	1,538,171	1,384,924	0
Kids Mentoring	488,000	0	0
Adolescent Boys Program	0	300,000	230,400
Family Nutrition Program	9,283,510	9,294,560	9,294,560
Temporary Assistance for Needy Families (TANF)	117,210,743	124,033,466	124,033,466
Adult Supplementation	72,265	69,665	61,665
Supplemental Nursing Care	25,092,868	25,807,581	25,807,581
Blind Pension	26,550,927	29,148,100	31,465,434
Refugee Assistance	1,953,362	3,808,853	3,808,853
Community Services Block Grant	17,312,050	19,144,171	19,144,171
Homeless Challenge Grant	429,925	500,000	500,000
Emergency Shelter Grants	1,199,102	1,340,000	1,880,000
Food Distribution Programs	1,175,585	1,175,585	1,500,000
Energy Assistance	101,207,411	40,826,051	40,826,051
Domestic Violence	6,004,997	6,437,653	6,437,653
Blind Administration	4,866,088	4,993,042	4,766,580
Services for the Visually Impaired	7,242,936	8,459,151	8,558,151
Child Support Field Staff and Operations	32,179,517	35,757,406	35,490,794
Child Support Distributions	87,083,125	49,832,039	50,100,000
TOTAL	\$ 564,491,252	\$ 498,382,085	\$ 492,493,108
PERSONAL SERVICE			
General Revenue Fund	28,201,432	28,067,164	24,518,981
Federal Funds	85,793,828	90,019,910	87,638,727
Other Funds	8,193,017	9,386,556	9,386,556
EXPENSE AND EQUIPMENT			
General Revenue Fund	12,022,078	15,290,301	13,370,461
Federal Funds	30,197,489	39,663,846	38,248,769
Other Funds	2,348,607	2,854,571	3,149,859
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	36,926,432	37,586,927	36,915,978
Federal Funds	331,572,373	243,778,872	245,113,505
Other Funds	29,235,996	31,733,938	34,150,272
TOTAL			
General Revenue Fund	77,149,942	80,944,392	74,805,420
Federal Funds	447,563,690	373,462,628	371,001,001
Other Funds	39,777,620	43,975,065	46,686,687
Total Full-time Equivalent Employees	3,990.38	3,974.71	3,761.91
General Revenue Fund	933.99	647.03	553.16
Federal Funds	2,802.12	2,901.20	2,784.31
Other Funds	254.27	426.48	424.44

Administrative Services – Management, coordination, and general direction are provided to all Family Support Division programs. The division director and staff monitor the efficiency and effectiveness of and provide policy direction for Income Maintenance and Child Support programs. Administrative Services also provides financial management and operational services, human resource support, and systems support to Income Maintenance and Child Support Enforcement field staff.

Income Maintenance Field Staff and Operations – Staff provides intake services, information and referral, and eligibility determinations for applicants of services provided by the department. Funds in these sections support the salaries, general operating expenses, and training for Income Maintenance eligibility specialists, administrative and supervisory staff, and clerical support positions in Family Support offices.

DEPARTMENT OF SOCIAL SERVICES FAMILY SUPPORT DIVISION

Temporary Assistance for Needy Families (TANF) – TANF is a program designed to provide temporary assistance/relief to families to promote self-sufficiency so parents do not remain dependent on government payments and children do not grow up in poverty. Under federal welfare reform, TANF was designed to be a temporary assistance which, coupled with a myriad of other support services, would enable parents to find and retain employment; thereby, enabling them to support their families without government assistance. Missouri continues to implement new, innovative programs designed to meet the diverse needs of TANF recipients.

Adult Supplementation – The federal government assumed responsibility for Old Age Assistance, Aid to the Permanently and Totally Disabled, and Aid to the Blind programs in January 1974 when it created the Supplemental Security Income (SSI) Program. Recipients who are eligible for SSI, but who receive smaller benefits than their December 1973 payments, receive payments from the state equal to the difference. Recipients who are not eligible for SSI, but who received payments under one of the earlier programs, receive payments from the state equal to the amount they received in December 1973. The caseload has been declining since 1973 as recipients die, become ineligible through incomes changes, or leave the state.

Supplemental Nursing Care – This state-funded program makes monthly cash payments to residents of residential care, assisted living, and non-Medicaid nursing facilities. The type of facility appropriate for clients is dictated by their level of need for care. Minimal medical care is provided in Residential Care, more in Assisted Living, and significantly more in Nursing Facilities. Supplemental Nursing Care recipients also are provided an allowance each month for personal needs such as toiletries, transportation, and hair care.

Blind Pension and Supplemental Aid to Blind – Three separate programs assist blind persons. The first, Supplemental Aid to the Blind, pays benefits to those who meet certain income requirements. The second, Blind Pension, aids the blind who do not qualify for Supplemental Aid to the Blind and who do not own property – excluding homes – worth more than \$20,000. The third program, Adult Supplemental Payments, aids those who received Aid to the Blind before the federal SSI Program began in 1974, but who receive less from SSI than from the earlier program. New cases that meet the state's 1973 guideline also may be certified for Supplemental Aid to the Blind. All of these programs are funded from an earmarked state property tax that provides revenue to the Blind Pension Fund.

Community Services Block Grant (CSBG), Emergency Shelter Grants, Homeless Funding, and Refugee Assistance – CSBG funds are used to address six causes of poverty: unemployment, inadequate education, malnutrition, inadequate housing, unmet emergency needs, and poor use of income. Federal statutes require that 90 percent of CSBG funding be passed through to Community Action Agencies. The Emergency Shelter Grants Program provides grants to local governments to be used for renovation or conversion of buildings for emergency shelters and to help meet the cost of emergency shelter operations. Homeless Challenge Grants offer local communities matching funds to establish programs to combat homelessness. The Refugee Assistance Program provides services to help refugees overcome language barriers, acquire or adapt vocational skills, and adjust to their new environment.

Food Distribution – The federally funded Food Distribution Program enables Family Support to provide USDA commodities and administrative funds to not-for-profit food banks to store, ship, and distribute food to eligible individuals and families. The Food Distribution Program also provides commodities for the Summer Food Service Program and other charitable institutions.

Energy Assistance – The Low-Income Home Energy Assistance Program is a federally funded block grant which provides heating assistance payments and winter and summer crisis assistance to low-income households.

Domestic Violence – This program issues contracts to local family violence shelters. Funds may be used for emergency shelters, counseling, and services for families in community-based shelters.

Services for the Visually Impaired – Professional staff in Rehabilitation Services for the Blind counsel and train blind and visually impaired Missourians, arrange for the purchase of other services, and help the visually impaired find jobs. Services include rehabilitation, vocational rehabilitation, diagnosis and treatment of eye disease, equipment and supplies for blind preschool children, the Public Building Vending program, and the Readers for the Blind Program.

Child Support Field Staff and Operations – Child Support Enforcement staff provide services to locate missing parents; establish paternity, medical support, and financial child support obligations; and enforce the collection of support payments for TANF, MO HealthNet and for non-TANF families that apply for child support services. The state retains approximately 36 percent of all assigned child support collected on current and former TANF cases.

**DEPARTMENT OF SOCIAL SERVICES
FAMILY SUPPORT DIVISION**

Child Support Distributions – Distributions are made to reimburse counties that have signed a cooperative agreement with the Department of Social Services to provide judicial assistance in the establishment and enforcement of child support obligations. Child support collection and prosecution costs incurred by the counties are reimbursed by the federal government at a rate of 66 percent. This funding also supports contractual agreements with local governments to assist the division with paternity and other types of child support referrals through the establishment of multi-county, full-service centers. Counties pool resources to establish service centers dedicated to child support work.

Distributions are also made to families when the payment was collected by the department and to refund some overpayments from federal income tax refund intercepts. This appropriation also provides a mechanism for reimbursing non-custodial parents for child support payments over-collected from state income tax refund intercepts.

Fiscal Year 2011 Governor's Recommendations

- \$1,596,420 Blind Pension Fund to increase the monthly benefit from \$651 to \$686 per month.
- \$1,317,961 federal funds to match planned spending levels for reimbursements to counties for child support enforcement services.
- \$720,914 Blind Pension Fund for caseload increase of blind pension recipients.
- \$540,000 federal funds to match planned spending levels for emergency shelter grants.
- \$335,861 Child Support Enforcement Fund for increased earnings from implementing child support fee legislation.
- \$324,415 federal funds to match planned spending levels for food distribution programs.
- \$137,112 federal and other funds for one-time expenditures for system upgrades necessary to implement the child support fee legislation.
- \$99,000 Blindness Education, Screening and Treatment Program Fund transferred from the Department of Health and Senior Services for child vision screenings.
- (\$10,960,660) and (212.8) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$6,138,972) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Children's Administration	\$ 6,977,056	\$ 7,053,472	\$ 6,805,970
Children's Field Staff and Operations	72,022,754	74,402,619	81,073,777
Child Welfare Accreditation	10,326,630	8,698,717	0
Children's Staff Training	1,452,995	1,276,069	1,276,069
Children's Treatment Services	11,510,885	11,976,238	11,976,238
Crisis Nursery	802,314	1,350,000	0
Teen Crisis Care	320,002	400,000	0
Crisis Care	0	0	1,250,000
Foster Care	28,989,889	35,747,999	37,202,719
Adoption and Subsidized Guardianship	79,028,854	81,739,364	81,739,364
Adoption Resource Centers	294,000	300,000	280,000
Independent Living	3,788,023	4,050,000	4,050,000
Transitional Living	2,008,975	2,064,018	2,064,018
Children's Programs Pool	14,870,639	15,020,608	15,020,608
Child Assessment Centers	2,237,380	2,298,952	2,298,952
Residential Treatment	41,798,431	52,844,115	49,144,115
Foster Care Case Management Contracts	21,687,505	25,157,066	24,357,066
Psychiatric Diversion	14,037,484	0	0
IV-E Court Contracts	166,027	400,000	400,000
Child Abuse and Neglect Grant	102,999	188,316	188,316
Foster Care Children's Account	11,734,574	12,000,000	12,000,000
Purchase of Child Care	183,119,948	192,701,501	191,950,501
Child Abuse and Neglect Prevention	1,495,912	1,600,000	1,400,000
Child Abuse Prevention Demonstrations	276,000	300,000	0
Voluntary Placement Agreements	0	0	2,400,000
Individualized Service Plans	0	0	100,000
TOTAL	\$ 509,049,276	\$ 531,569,054	\$ 526,977,713
PERSONAL SERVICE			
General Revenue Fund	30,890,093	32,653,825	31,720,942
Federal Funds	45,918,523	47,573,499	47,221,417
Other Funds	110,172	112,400	112,400
EXPENSE AND EQUIPMENT			
General Revenue Fund	5,003,898	4,745,098	4,162,910
Federal Funds	9,251,934	9,730,838	9,322,932
Other Funds	72,055	1,038,783	1,038,781
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	210,050,068	218,825,322	214,852,575
Federal Funds	185,227,674	191,376,415	192,633,035
Other Funds	22,524,859	25,512,874	25,912,721
TOTAL			
General Revenue Fund	245,944,059	256,224,245	250,736,427
Federal Funds	240,398,131	248,680,752	249,177,384
Other Funds	22,707,086	26,664,057	27,063,902
Total Full-time Equivalent Employees	2,326.80	2,199.25	2,163.53
General Revenue Fund	939.73	785.21	769.68
Federal Funds	1,384.04	1,411.24	1,391.05
Other Funds	3.03	2.80	2.80

Children's Administration – The Children's Division Administrative Services provides management, coordination, and general direction for all Children's Division programs. The division director and staff monitor the effectiveness of programs that promote safety, permanency, and well-being for Missouri's children served by the division. Administrative Services provides policy direction, financial management and operational services, and human resource support to field staff.

DEPARTMENT OF SOCIAL SERVICES CHILDREN'S DIVISION

CD Field Staff and Operations/Staff Training – Provides funding and training for Children's Service workers and support staff to maintain the Children's Division (CD) programs in each of the state's 45 Judicial Circuits. Front-line staff respond to allegations of child abuse or neglect, provide assistance for families in need of services to keep or return children home safely, secure appropriate out of home placements for children placed in the division's custody, and locate permanent homes when it is in the best interest of children.

In 2009, the Children's Division obtained national accreditation by the Council on Accreditation (COA), in accordance with Section 210.113, RSMo. To achieve accreditation, Missouri's child welfare system, encompassing 45 judicial circuits, was reviewed and measured against nationally-recognized standards of best practice established by COA.

Children's Treatment Services, Intensive In-Home Services, Crisis Care, and Prevention Programs – The Children's Treatment Services funding provides a variety of contracted services to child abuse victims and their parents. Specific services include family therapy, homemaker services, respite care, parent aides, child care, crisis care services, and incentive subsidies to encourage local units of government to develop community programs to combat child abuse and neglect. Children's Treatment Services also provides funding for intensive, in-home services to help prevent placement of children in foster care and keep children with their families. Prevention programs such as Crisis Care Centers and home visitation provide services for families and children to prevent child abuse and neglect (CA/N) and to divert children from the state's custody.

Foster Care, Children's Account, Adoption Subsidy, and Subsidized Guardianship – The Foster Care Program provides monthly room and board payments for children in the custody and care of the Children's Division. Types of placements include traditional foster care, relative care, and kinship care. For children with intensive needs, specialized placements such as behavioral, medical, and career foster care are provided. Payments are made for non-Medicaid medical and dental services, clothing, transportation, foster parent training, respite care, and other needs. Children in state custody may receive funds from a variety of sources, including child support payments. These monies are used to offset the cost of maintaining the child in foster care and to pay for any special expenses of the child.

The Adoption Subsidy Program and Subsidized Guardianship Program provide financial assistance to parents who adopt or become legal guardians of special needs children, in order to move these children from foster care into permanent family arrangements.

Children's Programs Pool – This pooled appropriation allows flexible spending for Children's Program areas.

Child Assessment Centers – Child Assessment Centers (CACs) provide a child friendly setting where children, reported to have been sexually abused, can be interviewed by multi-disciplinary team members and receive a single medical examination.

Residential Treatment, Transitional Living, Independent Living, and Title IV-E Court Contracts – Residential facilities are used when foster family care cannot meet the children's treatment needs. The division contracts with a wide range of residential programs, ranging from small group homes to large, self-contained, resident campuses. Facilities must be licensed or be accredited by one of three nationally recognized accrediting organizations. Independent Living programs assist foster care children, ages 15 to 21, in learning the necessary skills for the transition from foster care to adult independent living in the community. Transitional Living placement programs assist foster care children ages 16 to 21 by placing youth in their communities with support services. Court contracts through the Title IV-E Program allow the Children's Division to pass through federal funds to be used for reimbursement to juvenile courts for children in the court's custody placed in juvenile court residential facilities.

Foster Care Case Management Contracts – The Children's Division contracts with private agencies to provide foster/adoption case management services to children who have been removed from their homes and are under the jurisdiction of the Juvenile Court. These children have been abused and/or neglected or were found to be at serious risk of such. The goal of the foster care case management contracts is to improve safety, stability, and timely permanency for these children.

Purchase of Child Care – A key to successful welfare reform and the prevention of abuse and neglect is access to quality, affordable child care. Without child care assistance, many parents could not participate in job training or education, or maintain employment in order to become self-sufficient and end their dependence on government assistance. Without such assistance, the risk of children being left in unsafe environments also increases. The Early Childhood Development, Education and Care Fund supports programs to improve the availability of, and access to, quality child care and programs that prepare children to enter school ready to succeed. Because children learn more from the ages of zero to five than during any other developmental period, the availability of quality child care is essential to preparing children for school.

Fiscal Year 2011 Governor's Recommendations

- \$1,454,720 federal funds to continue Fiscal Year 2010 foster care clothing and diaper allowance increase.
- \$542,582 federal funds to replace general revenue due to increased federal earnings.
- \$400,000 to replace federal budget stabilization funds for crisis care services.
- \$399,845 Early Childhood Development and Education Care Fund to replace general revenue in child care services.
- (\$7,388,488) and (35.72) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$5,887,818) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
DIVISION OF YOUTH SERVICES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administrative Services	\$ 2,144,119	\$ 2,106,113	\$ 2,073,905
Youth Treatment Programs	55,456,522	56,820,202	55,784,297
Juvenile Court Diversion	3,921,621	4,267,880	4,267,880
TOTAL	\$ 61,522,262	\$ 63,194,195	\$ 62,126,082
PERSONAL SERVICE			
General Revenue Fund	36,137,977	22,389,736	21,596,214
Federal Funds	7,737,163	22,245,591	22,121,828
Other Funds	2,867,087	2,869,743	2,869,743
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,049,179	1,333,451	434,839
Federal Funds	6,214,154	6,923,315	6,928,268
Other Funds	3,547,613	3,096,749	3,660,110
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,488,159	3,774,471	3,775,198
Federal Funds	24,092	39,045	31,149
Other Funds	456,838	522,094	708,733
TOTAL			
General Revenue Fund	40,675,315	27,497,658	25,806,251
Federal Funds	13,975,409	29,207,951	29,081,245
Other Funds	6,871,538	6,488,586	7,238,586
Total Full-time Equivalent Employees	1,490.04	1,411.14	1,376.14
General Revenue Fund	1,153.69	634.45	609.65
Federal Funds	244.11	695.59	685.39
Other Funds	92.24	81.10	81.10

The Division of Youth Services (DYS) is divided into three functional areas: Management and Development, Residential Services, and Non-residential Services.

Management and Development is the central administrative unit with overall responsibility for designing, implementing, managing, and evaluating all programs operated by the division. Five regional offices work with central office staff to ensure program efficiency and effectiveness at the local level.

Residential Services provides youthful offenders with structured rehabilitation programs when placement at home is no longer an option. Services include academic and vocational education for youth in residential placement. The division has seven secure care facilities: Northwest Regional Youth Center in Jackson County, Hogan Street Youth Center in St. Louis City, Fulton Treatment Center in Callaway County, Mount Vernon Treatment Center in Lawrence County, Hillsboro Treatment Center in Jefferson County, Riverbend Treatment Center in Buchanan County, and Montgomery City Youth Treatment Center in Montgomery County. The division also operates 18 moderate care facilities and seven community based facilities.

Non-residential Services help youthful offenders adjust to community life and become law-abiding and productive citizens. The division provides several types of non-residential services: case management; community care which includes day treatment, intensive supervision, family counseling, and alternative living; aftercare; and the Juvenile Court Diversion Program. Case management involves evaluating youths' needs and managing their service delivery plan during their entire length of stay with the division. Community care involves treatment of youth in the community without the youth being placed in a DYS facility. Alternative living includes foster care and independent living services for juveniles who cannot return to their homes. Day treatment programs provide education and treatment services for youth who continue to live at home. Family counseling is provided to strengthen the family structure, communication, and parenting. Intensive supervision provides mentoring to youth in the community. Aftercare is the provision of support services to help juveniles return to their families and communities as law-abiding and productive citizens. Finally, the Juvenile Court Diversion Program encourages local communities to develop programs to divert youth from commitment to DYS.

Fiscal Year 2011 Governor's Recommendations

- \$554,344 DSS Educational Improvement Fund to replace general revenue in youth treatment services.
- \$195,656 DSS Educational Improvement Fund for residential treatment rate equity.
- (\$1,818,113) and (35) staff core reduction from the Fiscal Year 2010 appropriation level, including (\$1,691,407) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administrative Services	\$ 89,655,760	\$ 102,105,356	\$ 93,113,363
MO HealthNet Vendor Payments and Managed Care	5,632,611,069	6,210,675,505	6,664,509,584
State Medical	30,223,468	31,197,426	33,690,066
TOTAL	\$ 5,752,490,297	\$ 6,343,978,287	\$ 6,791,313,013
PERSONAL SERVICE			
General Revenue Fund	3,093,605	3,439,947	3,439,947
Federal Funds	5,387,825	5,603,007	5,620,219
Other Funds	1,520,812	1,604,069	1,621,280
EXPENSE AND EQUIPMENT			
General Revenue Fund	35,572,470	23,812,677	25,460,123
Federal Funds	74,513,615	96,698,418	84,799,342
Other Funds	4,577,277	7,580,548	7,584,022
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,023,360,518	1,116,523,789	1,240,143,842
Federal Funds	2,740,735,927	3,236,058,061	3,344,866,407
Other Funds	1,863,728,248	1,852,657,771	2,077,777,831
TOTAL			
General Revenue Fund	1,062,026,593	1,143,776,413	1,269,043,912
Federal Funds	2,820,637,367	3,338,359,486	3,435,285,968
Other Funds	1,869,826,337	1,861,842,388	2,086,983,133
Total Full-time Equivalent Employees	250.95	267.11	268.11
General Revenue Fund	78.51	85.03	85.03
Federal Funds	136.49	138.49	138.99
Other Funds	35.95	43.59	44.09

ADMINISTRATIVE SERVICES

The MO HealthNet Division is an intermediary for providing services to both participants and providers. The agency's structure includes two major sections, Finance and Operations and Clinical Services.

Finance and Operations work to incorporate the newest and best technology to accurately and efficiently pay providers in a paperless environment. Technology is a robust reporting function that is critical to the management responsibilities of the division. The resultant database of paid claims is used to monitor the programs, provide program integrity, and compile data to project financial needs and trends. Provider enrollment and relations, participant services, and premium collections are also functions under the Finance and Operations section.

The Clinical Services section oversees pharmacy enhancement and rebates, the exception program, the psychology program, and the Missouri Rx Plan. The Clinical Services unit reaches out to organizations through existing contracts, such as the University of Missouri Health Management Team, to assist in needed data mining and analysis. The process allows for examination and analysis of performance in terms of efficiency of operations and anticipated health status outcomes. Utilizing a variety of sources, the Clinical Services unit establishes best practices based on evidence-based reviews.

Fiscal Year 2011 Governor's Recommendations

- \$2,187,500 to replace federal budget stabilization funds for health care technology projects.
- \$41,370 federal and other funds and one staff to implement Senate Bill 307 (2009), which creates the ambulance reimbursement assessment.
- (\$9,003,565) federal funds core reduction for one-time expenditures.
- (\$2,187,500) Federal Budget Stabilization Fund core reduction.
- (\$27,422) core reduction from Fiscal Year 2010 appropriation level, including (\$13,711) general revenue.
- (\$2,376) transferred to Office of Administration for fuel and utilities, including (\$1,188) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION**

**MEDICAID EXPENDITURES
SELECTED SERVICES AND ANNUAL TOTALS**

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Pharmacy	\$ 922,782,783	\$ 1,133,176,749	\$ 1,197,824,774
Physicians	488,709,293	492,805,063	601,906,745
Dental	13,199,851	14,608,413	20,188,924
Premium Payments	148,161,419	157,634,508	192,372,072
Nursing Facilities and Home Health	592,785,014	638,172,925	596,464,174
Rehabilitation and Specialty Services	242,446,398	281,777,277	294,540,578
Managed Care	1,110,143,030	1,052,127,800	1,110,830,062
Hospital Care	639,713,407	788,242,253	829,335,219
Safety Net Hospitals	3,452,457	8,000,000	8,000,000
FRA and NFFRA	1,071,152,150	1,034,875,963	1,150,821,150
Health Care Access	3,519,410	13,296,086	13,401,011
Children's Health Insurance Program	129,505,171	190,849,618	192,022,118
School District Claiming	22,198,631	33,369,908	33,369,908
MAF Adults	0	146,889,428	0
MO HealthNet Supplemental Pool	48,277,015	35,698,084	35,698,084
IGT Safety Net Hospitals	187,360,044	179,200,000	199,854,549
IGT DMH	0	0	178,630,216
FQHC/Rural Health Clinic	9,204,996	9,951,430	9,250,000
TOTAL	\$ 5,632,611,069	\$ 6,210,675,505	\$ 6,664,509,584
EXPENSE AND EQUIPMENT			
General Revenue Fund	16,536,466	15,728,155	15,203,000
Federal Funds	21,025,333	20,364,585	19,668,000
Other Funds	675,845	391,600	391,600
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	994,217,910	1,087,290,128	1,208,417,541
Federal Funds	2,740,735,927	3,236,057,031	3,344,865,377
Other Funds	1,859,419,588	1,850,844,006	2,075,964,066
TOTAL			
General Revenue Fund	1,010,754,376	1,103,018,283	1,223,620,541
Federal Funds	2,761,761,260	3,256,421,616	3,364,533,377
Other Funds	1,860,095,433	1,851,235,606	2,076,355,666
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Medicaid Program (Title XIX of the Social Security Act) is a federal-state effort to pay for the health care of those who cannot pay for their own care. Federal law sets the minimum services for any state that opts to administer the Medicaid program. These include hospital; physician; Early and Periodic Screening, Diagnostic and Treatment (EPSDT); lab and x-ray; skilled nursing home care; home health care; Federally Qualified Health Centers; rural health clinics; non-emergency transportation; and family planning services.

In addition to Medicaid State Plan Services, Missouri also provides women's health services for women with incomes no greater than 185 percent of the federal poverty level, through an 1115 waiver. Also, the SCHIP State Plan is the federal-state effort to pay for the health care of uninsured children above existing Medicaid eligibility limits up to 300 percent of the federal poverty level. Children will receive a benefit package equal to Medicaid coverage, though non-emergency medical transportation is not available to children in families with income above 150 percent of the federal poverty level.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION**

Fiscal Year 2011 Governor's Recommendations

- \$240,950,299 for the additional anticipated costs of existing Medicaid programs, including \$86,903,756 general revenue.
- \$178,630,216 federal and other funds to certify public expenditures through an intergovernmental transfer for mental health Medicaid programs.
- \$155,425,259 to fund caseload growth for the Permanently and Totally Disabled (PTD), Qualified Medical Beneficiary (QMB), Pregnant Women, and Children, including \$56,101,209 general revenue.
- \$66,329,214 Pharmacy Reimbursement Allowance Fund to align the program with planned expenditures.
- \$63,329,394 Federal Reimbursement Allowance Fund to align the program with planned expenditures.
- \$49,309,760 to address the anticipated increase in the Pharmacy Program due to new drugs, therapies, utilization, and inflation, including \$6,059,721 general revenue.
- \$44,208,303 to address the change in the federal participation percentage, including \$44,020,052 general revenue.
- \$21,753,508 Pharmacy Reimbursement Allowance Fund to support increasing the provider assessment to 1.82 percent.
- \$21,748,045 for the increase in Medicare Part A and B premiums, including \$7,918,579 general revenue.
- \$20,654,549 federal and other funds to align appropriations with projected expenditures associated with the safety net hospitals.
- \$10,701,025 for increase in clawback payments for Medicare Part D drug coverage.
- \$7,443,750 Life Science Research Trust Fund to replace the Managed Care Reimbursement Allowance, which has been phased out by federal law.
- \$2,916,818 federal and other funds to support the ambulance reimbursement assessment.
- \$220,621 for actuarially sound increases to Medicare hospice rates, including \$79,831 general revenue.
- (\$94,273,635) federal funds core reduction due to the failure to pass Senate Bill 306 (2009), the health care revision bill.
- (\$64,336,400) core reduction from Fiscal Year 2010 appropriation level, including (\$1,794,949) general revenue.
- (\$44,208,303) core reduction to address the change in the federal participation percentage, including (\$188,251) general revenue.
- (\$34,800,000) core reduction for hospital payments resulting in value based purchasing, including (\$10,600,000) general revenue.
- (\$32,962,505) core reduction in nursing facility payments due to Medicare repricing, including (\$12,000,000) general revenue.
- (\$26,644,692) core reduction for a clinical review of psychotropic medications, including (\$9,700,000) general revenue.
- (\$21,900,000) core reduction in hospital payments due to Medicare Part B repricing of outpatient services, including (\$8,000,000) general revenue.
- (\$21,753,508) core reduction due to an increase in the Pharmacy Reimbursement Allowance assessment rate.
- (\$14,900,761) core reduction for better care management of high cost pharmacy users, including (\$5,424,622) general revenue.
- (\$13,400,000) core reduction associated with the addition of an image benefits manager to require pre-certification of imaging, including (\$3,900,000) general revenue.
- (\$11,745,954) MO HealthNet Managed Care Organization Reimbursement Allowance Fund core reduction as the tax is no longer allowable under federal law.
- (\$10,399,999) core reduction to ensure Medicaid is payer of last resort, including (\$3,786,120) general revenue.
- (\$9,800,000) core reduction from the chronic care improvement program for elimination of dual eligible's from this contract, including (\$3,567,690) general revenue.
- (\$8,240,626) core reduction due to implementation of Maximum Allowable Cost (MAC) pricing on specialty drugs, including (\$3,000,000) general revenue.
- (\$8,240,626) core reduction for lowering select physician payments to 90 percent of Medicare rates, including (\$3,000,000) general revenue.
- (\$3,948,081) core reduction in select rehabilitation and specialty services payments, including (\$1,437,299) general revenue.
- (\$3,910,000) core reduction due to an increase in generic pharmacy utilization, including (\$1,456,200) general revenue.
- (\$2,746,874) core reduction for better identification of Medicare eligibles, including (\$1,000,000) general revenue.
- (\$1,464,843) core reduction for lowering durable medical equipment provider payments to 90 percent of Medicare rates, including (\$533,276) general revenue.
- (\$109,875) core reduction for requiring Medicare certification of all nursing homes, including (\$40,000) general revenue.

STATE MEDICAL

The State Medical Program allows individuals who do not meet categorical eligibility criteria for the Title XIX to receive nearly all of the same services, which are reimbursed for Title XIX eligibles, including non-institutional, nursing facility, and hospital care. These individuals include Child Welfare Services, Blind Pension, Presumptive Eligibility for Pregnant Women recipients, and youth in the custody of the Division of Youth Services.

Fiscal Year 2011 Governor's Recommendations

- \$1,838,108 for the additional anticipated costs of existing programs.
- \$654,532 to address the rising costs in the Pharmacy Program due to new drugs, therapies, utilization, and inflation.

ELECTED OFFICIALS

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Office of the Chief Executive	\$ 4,417,990	\$ 2,256,891	\$ 2,256,891	\$ 2,256,891
Lieutenant Governor	1,018,189	1,033,117	733,117	733,117
Secretary of State	38,153,952	51,376,854	50,649,354	47,999,354
State Auditor	7,652,744	8,300,800	8,667,523	8,667,523
State Treasurer	32,795,728	26,466,069	26,466,069	26,466,069
Attorney General	24,050,668	28,989,217	29,508,766	29,339,217
TOTAL	\$ 108,089,271	\$ 118,422,948	\$ 118,281,720	\$ 115,462,171
General Revenue Fund	54,299,806	48,189,352	51,051,352	48,611,852
Federal Funds	5,933,312	9,651,061	10,094,304	10,014,255
Federal Budget Stabilization Fund	0	1,100,000	300,000	0
Election Administration Improvement Fund	4,604,899	13,574,158	12,074,155	12,074,155
Election Improvement Revolving Loan Fund	198,862	396,185	396,188	396,188
State Treasurer's General Operations Fund	1,728,558	1,824,020	1,869,089	1,869,089
Treasurer's Information Fund	1,674	8,000	8,000	8,000
Secretary of State's Technology Trust Fund Account	2,452,409	6,407,190	4,907,189	4,907,189
Gaming Commission Fund	140,029	140,029	140,029	140,029
Central Check Mailing Service Revolving Fund	143,938	247,978	247,978	247,978
Water Pollution Permit Fee Subaccount	41,327	41,327	41,327	41,327
Solid Waste Management Fund	41,827	41,827	41,827	41,827
Local Records Preservation Fund	1,075,838	1,962,485	1,962,485	1,962,485
Petroleum Storage Tank Insurance Fund	25,108	25,108	25,108	25,108
Motor Vehicle Commission Fund	49,467	49,467	49,467	49,467
Health Spa Regulatory Fund	5,000	5,000	5,000	5,000
Air Pollution Permit Fee Subaccount	41,302	41,302	41,302	41,302
Attorney General's Court Costs Fund	175,483	187,000	187,000	187,000
Conservation Commission Fund	45,650	45,651	45,651	45,651
Parks Sales Tax Fund	21,495	21,496	21,496	21,496
Soil and Water Sales Tax Fund	35,192	35,192	35,192	35,192
Healthy Families Trust Fund	0	0	350,000	350,000
Merchandising Practices Revolving Fund	1,640,415	2,566,162	2,566,162	2,566,162
Petition Audit Revolving Trust Fund	718,711	844,350	844,350	844,350
Workers' Compensation Fund	356,237	468,101	468,101	468,101
Workers' Compensation Fund - Second Injury Fund	2,759,573	3,064,140	3,019,071	3,019,071
Lottery Enterprise Fund	55,256	55,256	55,256	55,256
Hazardous Waste Fund	298,480	298,481	298,481	298,481
Safe Drinking Water Fund	14,489	14,489	14,489	14,489
Missouri Office of Prosecution Services Funds	1,061,710	2,170,441	2,173,970	2,173,970
Investors Restitution Fund	2,093,390	55,000	55,000	55,000
Attorney General Trust Fund	449,993	1	1	1
Missouri State Archives-St. Louis Trust Fund	0	1	1	1
Inmate Incarceration Reimbursement Act Revolving Fund	121,292	137,584	137,584	137,584
Investor Education and Protection Fund	684,319	1,195,894	1,195,894	1,195,894
State Document Preservation Fund	7,237	189,260	189,260	189,260
Abandoned Fund Account	26,630,869	23,341,001	23,341,001	23,341,001
Mined Land Reclamation Fund	14,458	14,459	14,459	14,459
Secretary of State-Wolfner State Library Fund	121,666	14,500	14,501	14,501
Total Full-time Equivalent Employees	869.93	987.02	993.02	992.02
General Revenue Fund	604.28	668.83	669.83	668.83
Federal Funds	79.50	100.51	105.51	105.51
Other Funds	186.15	217.68	217.68	217.68

OFFICE OF THE CHIEF EXECUTIVE

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Governor's Office and Mansion	\$ 2,147,863	\$ 2,226,889	\$ 2,226,889
National Guard Emergency	2,070,127	1	1
Special Audits	200,000	30,000	30,000
Governmental Emergency Fund	0	1	1
TOTAL	\$ 4,417,990	\$ 2,256,891	\$ 2,256,891
PERSONAL SERVICE	3,052,258	2,035,374	2,035,374
EXPENSE AND EQUIPMENT	1,269,057	221,515	221,515
PROGRAM SPECIFIC DISTRIBUTION	96,675	2	2
TOTAL			
General Revenue Fund	4,417,990	2,256,891	2,256,891
Total Full-time Equivalent Employees	29.42	39.00	39.00
General Revenue Fund	29.42	39.00	39.00

GOVERNOR'S OFFICE AND MANSION

Article IV, Section 1 of the Missouri Constitution describes the duties and responsibilities of the Governor. This program includes the statutory salary of the Governor, funds for personnel and expense and equipment in the Governor's office and the mansion.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

NATIONAL GUARD EMERGENCY/HOMELAND SECURITY

The Missouri National Guard, when called to active duty by the Governor under Section 41.480, RSMo, has the authority to restore law and order and assist in the disaster relief of any section of the state where circumstances exceed the resources of local civil authorities. The most common use of the guard has been for cleanup and security following natural disasters, such as a flood or tornado, and public action during a time of local disorder.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

SPECIAL AUDITS

Section 26.060, RSMo, authorizes the Governor to call for special audits of any entity receiving state funds when the public interest of the state will be served.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

GOVERNMENTAL EMERGENCY FUND COMMITTEE

Sections 33.700 through 33.730, RSMo, create the Governmental Emergency Fund Committee and allocation procedures for appropriations of emergency funds. Funds from this appropriation may be allocated by a majority vote of the committee members for the purpose of meeting emergency and unanticipated requirements.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

LIEUTENANT GOVERNOR

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
PERSONAL SERVICE			
General Revenue Fund	\$ 368,034	\$ 370,042	\$ 370,042
EXPENSE AND EQUIPMENT			
General Revenue Fund	650,155	63,075	362,075
Federal Budget Stabilization Fund	0	599,000	0
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	0	1,000
Federal Budget Stabilization Fund	0	1,000	0
TOTAL	\$ 1,018,189	\$ 1,033,117	\$ 733,117
General Revenue Fund	1,018,189	433,117	733,117
Federal Budget Stabilization Fund	0	600,000	0
Total Full-time Equivalent Employees	5.84	8.50	8.50
General Revenue Fund	5.84	8.50	8.50

Article IV, Section 10 of the Missouri Constitution describes the duties and responsibilities of the Lieutenant Governor. The statutory salary of the Lieutenant Governor and funds for the personnel and expense and equipment costs in operating the Office of the Lieutenant Governor are included in this program.

Fiscal Year 2011 Governor's Recommendations

- \$300,000 for the Veterans Remembrance Project to replace federal budget stabilization funds.
- (\$300,000) Federal Budget Stabilization Fund core reduction for one-time expenditures.
- (\$300,000) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

SECRETARY OF STATE

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 16,825,885	\$ 20,825,441	\$ 18,825,441
Elections	10,573,955	18,164,547	17,894,547
Record Preservation Programs	211,563	846,210	846,210
Missouri Library Programs	10,542,549	11,540,656	10,433,156
TOTAL	\$ 38,153,952	\$ 51,376,854	\$ 47,999,354
PERSONAL SERVICE			
General Revenue Fund	7,533,262	7,682,550	7,682,550
Federal Funds	492,355	871,014	871,014
Election Administration Improvement Fund	256,295	261,191	261,191
Secretary of State's Technology Trust Fund Account	196,343	246,009	246,009
Local Records Preservation Fund	775,408	1,042,516	1,042,516
Investor Education and Protection Fund	372,585	550,530	550,530
EXPENSE AND EQUIPMENT			
General Revenue Fund	7,009,055	5,391,086	6,592,086
Federal Funds	960,108	1,330,487	830,488
Election Administration Improvement Fund	2,451,973	5,499,990	5,499,985
Secretary of State's Technology Trust Fund Account	2,256,066	6,161,181	4,661,180
Local Records Preservation Fund	112,934	519,969	519,969
Investor Education and Protection Fund	311,734	645,364	645,364
State Document Preservation Fund	7,237	25,000	25,000
Secretary of State - Wolfner State Library Fund	121,666	14,500	14,501
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	9,277,129	9,944,957	8,866,457
Federal Funds	1,842,285	2,758,272	2,758,274
Election Administration Improvement Fund	1,896,631	7,812,977	6,312,979
Local Records Preservation Fund	187,496	400,000	400,000
Investors Restitution Fund	2,093,390	55,000	55,000
Missouri State Archives - St. Louis Trust Fund	0	1	1
State Document Preservation Fund	0	164,260	164,260
TOTAL			
General Revenue Fund	23,819,446	23,018,593	23,141,093
Federal Funds	3,294,748	4,959,773	4,459,776
Election Administration Improvement Fund	4,604,899	13,574,158	12,074,155
Secretary of State's Technology Trust Fund Account	2,452,409	6,407,190	4,907,189
Local Records Preservation Fund	1,075,838	1,962,485	1,962,485
Investors Restitution Fund	2,093,390	55,000	55,000
Investor Education and Protection Fund	684,319	1,195,894	1,195,894
Missouri State Archives - St. Louis Trust Fund	0	1	1
State Document Preservation Fund	7,237	189,260	189,260
Secretary of State - Wolfner State Library Fund	121,666	14,500	14,501
Total Full-time Equivalent Employees	262.27	280.30	280.30
General Revenue Fund	207.51	209.76	209.76
Federal Funds	21.07	26.80	26.80
Other Funds	33.69	43.74	43.74

ELECTED OFFICIALS SECRETARY OF STATE

Article IV, Section 14 of the Missouri Constitution describes the duties and responsibilities of the Secretary of State.

ADMINISTRATION

The office of the Secretary of State is organized as follows:

Administrative Services – provides central budgeting, payroll, human resources, accounting, supplies, and mailroom services for all areas of the office. Responsibilities also include publication of the official manual of the State of Missouri, the Constitution, corporation laws, securities laws, the uniform commercial code manual, notary public laws, trademark laws, primary election returns, and the state and general assembly roster.

Elections Services – prepares ballots, certifies candidates, canvasses election returns, certifies initiative petitions, and maintains the statewide voter registration database.

Record Services – provides for the maintenance, retention, preservation, and disposal of official records of the state and local governments of Missouri.

Administrative Rules and Legal Services – serves as the central filing office for all rules and regulations promulgated by departments of the State of Missouri.

Securities Services – works to protect Missouri investors from fraud and maintains an orderly securities market in the state. The Securities Commissioner administers the Missouri Uniform Securities Act.

Business Services – administers the laws and filings of corporations and non-profit organizations. The division is the central filing office and custodian of all filings on business and professional loans. Additionally, the division commissions public notaries.

Missouri State Library – supports or works in concert with public, academic, and institutional libraries of the state with grant support, consultant services, development of criteria for establishment of libraries, collection development, and resource sharing. The library serves as a research and reference library for state government and the legislature and as the central outlet for census data information.

Wolfner Library for the Blind and Physically Handicapped – provides a variety of Braille, large print books, talking books recorded on cassette and discs, as well as cassette and disc playback equipment for eligible blind, visually impaired, physically disabled, and learning disabled citizens. The federal government, through the National Library Service, provides production of the materials, equipment, and postal charges for their distribution. The State of Missouri pays for staffing and cost of housing the collections of material and equipment for staff to operate the service.

Fiscal Year 2011 Governor's Recommendations

- \$1,500,000 Secretary of State's Technology Trust Fund Account to replace the current automated business filing system.
- (\$3,500,000) federal and other funds core reduction for one-time expenditures.

ELECTED OFFICIALS SECRETARY OF STATE

ELECTIONS

Initiative, Referendum, and Constitutional Amendments Expenses – funds are provided to allow for the publication of the texts of initiative petitions and referendums in newspapers prior to their consideration by the electorate of the State of Missouri. Payments are made in accordance with Chapter 125, RSMo, for constitutional amendments and Chapter 126, RSMo, for initiative petitions and referendums.

Absentee Ballots – funds are provided to allow for fees and costs for establishing and maintaining the business reply and postage-free mail for absentee envelopes returned by voters, in accordance with Section 115.285, RSMo.

Election Printing and Federal Election Reform – provisional ballot envelopes must be provided for local election authorities to use in elections of federal candidates, statewide candidates, or statewide issues. In addition, the Elections Division must print and distribute voter registration applications in accordance with federal laws.

Fiscal Year 2011 Governor's Recommendations

- \$1,200,000 for publishing the full texts of any statewide ballot measures in local newspapers throughout the state.
- \$30,000 to reimburse local election authorities for absentee ballot return postage costs.
- (\$1,500,000) Election Administration Improvement Fund core reduction from the Fiscal Year 2010 appropriation level.

RECORD PRESERVATION PROGRAMS

Local Records Grants – these funds are user fees designated for local records preservation. Missouri local governments submit proposals that address their specific needs in archive/records management. The Historical Records Advisory Board in concert with the Local Records Program Fiscal Grants Officer will establish priorities, implement, and audit the return of money to local governments.

Document Preservation – these funds are private donations designated for preservation of documents of legal, historical, and genealogical importance to the State of Missouri.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

MISSOURI LIBRARY PROGRAMS

State Aid for Public Libraries – the Missouri Constitution authorizes the state to support and aid public libraries. Consistent with this authority and the procedure set out in Section 181.060, RSMo, the Missouri State Library distributes funds to eligible public libraries on the basis of population served by the library district. A public library becomes eligible for participation if it has voted a local tax of at least ten cents per one hundred dollars assessed valuation. Local libraries use state funds to supplement local support.

Remote Electronic Access for Libraries – the Remote Electronic Access for Libraries (REAL) project is designed to connect all public libraries in Missouri to each other and the Internet through dedicated data connections. Library patrons will have quick access to resources beyond those available solely within their community.

Literacy Investment for Tomorrow – the Missouri State Library serves as fiscal agent for the state literacy resource center, Literacy Investment for Tomorrow (LIFT) in St. Louis. The center promotes and develops resources for organizations that provide literacy services.

Federal Aid for Public Libraries – the Missouri State Library administers federal grants under the federal Library Services and Construction Act. The library distributes funds to local public libraries for personnel, books, other library materials, and for general operating expenses to develop and improve library services. In addition, funds are available to local groups of libraries for improving local library cooperation. All costs for cooperative projects, except book purchases and building construction, are eligible for funding.

Fiscal Year 2011 Governor's Recommendations

- (\$1,107,500) core reduction from the Fiscal Year 2010 appropriation level.

STATE AUDITOR

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
PERSONAL SERVICE			
General Revenue Fund	\$ 5,190,382	\$ 6,014,503	\$ 6,014,503
Federal Funds	302,325	482,270	848,993
Conservation Commission Fund	43,040	43,040	43,040
Parks Sales Tax Fund	21,495	21,496	21,496
Soil and Water Sales Tax Fund	20,728	20,728	20,728
Petition Audit Revolving Trust Fund	689,723	812,734	812,734
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,335,290	841,679	841,679
Federal Funds	18,163	30,123	30,123
Conservation Commission Fund	2,610	2,611	2,611
Petition Audit Revolving Trust Fund	28,988	31,616	31,616
TOTAL	\$ 7,652,744	\$ 8,300,800	\$ 8,667,523
General Revenue Fund	6,525,672	6,856,182	6,856,182
Federal Funds	320,488	512,393	879,116
Conservation Commission Fund	45,650	45,651	45,651
Parks Sales Tax Fund	21,495	21,496	21,496
Soil and Water Sales Tax Fund	20,728	20,728	20,728
Petition Audit Revolving Trust Fund	718,711	844,350	844,350
Total Full-time Equivalent Employees			
General Revenue Fund	121.91	168.77	168.77
Federal Funds	101.15	137.27	137.27
Other Funds	5.32	11.00	11.00
	15.44	20.50	20.50

Article IV, Section 13 of the Missouri Constitution describes the duties and responsibilities of the State Auditor. The State Auditor's Office works to ensure the proper use of public funds and to improve the efficiency and effectiveness of Missouri government by performing audits of state agencies, boards and commissions, the circuit court system, third-class counties, and other political subdivisions upon petition by the voters. These audits examine financial accountability, waste, opportunities for fraud, and whether government organizations and programs are achieving their purposes and operating economically and efficiently. All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. The audit reports are delivered to the Governor, the General Assembly, the auditee, and interested citizens. The State Auditor also provides an annual audit of the state's comprehensive annual financial report and federal grant programs administered by the state, reviews and registers general obligation bond issues of the state's political subdivisions, prepares fiscal notes for ballot initiatives, performs an Annual Forfeiture Report, and reviews property tax rates proposed by political subdivisions for compliance with state law.

Fiscal Year 2011 Governor's Recommendations

- \$366,723 federal funds for auditing the administration of federal funds.

STATE TREASURER

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 3,416,598	\$ 2,966,068	\$ 2,966,068
Issuing Duplicate and Outlawed Checks	1,943,171	1,000,000	1,000,000
Abandoned Fund Account	27,435,959	22,500,001	22,500,001
TOTAL	\$ 32,795,728	\$ 26,466,069	\$ 26,466,069
PERSONAL SERVICE			
State Treasurer's General Operations Fund	1,458,226	1,553,365	1,595,154
Central Check Mailing Service Revolving Fund	22,979	22,978	22,978
Workers' Compensation Fund - Second Injury Fund	41,789	41,789	0
Abandoned Fund Account	532,084	517,401	517,401
EXPENSE AND EQUIPMENT			
State Treasurer's General Operations Fund	270,332	270,655	273,935
Treasurer's Information Fund	1,674	8,000	8,000
Central Check Mailing Service Revolving Fund	120,959	225,000	225,000
Workers' Compensation Fund - Second Injury Fund	3,279	3,280	0
Abandoned Fund Account	965,276	323,600	323,600
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	4,245,621	1,000,001	1,000,001
Abandoned Fund Account	25,133,509	22,500,000	22,500,000
TOTAL			
General Revenue Fund	4,245,621	1,000,001	1,000,001
State Treasurer's General Operations Fund	1,728,558	1,824,020	1,869,089
Treasurer's Information Fund	1,674	8,000	8,000
Central Check Mailing Service Revolving Fund	143,938	247,978	247,978
Workers' Compensation Fund - Second Injury Fund	45,068	45,069	0
Abandoned Fund Account	26,630,869	23,341,001	23,341,001
Total Full-time Equivalent Employees	49.38	49.40	49.40
Other Funds	49.38	49.40	49.40

ADMINISTRATION

Article IV, Section 15 of the Missouri Constitution describes the duties and responsibilities of the State Treasurer. The State Treasurer is responsible for receiving and investing state moneys, posting receipts to the proper funds, and signing warrants drawn according to law. As custodian of those funds, the Treasurer determines the amount of state moneys not needed for current operating expenses and invests those funds in interest-bearing time deposits in Missouri banking institutions or in short-term United States government obligations. The Treasurer is required to give due consideration to the preservation of state funds and the comparative yields available. The Treasurer also must determine whether the general welfare of the state is better served by investing state funds in United States securities or within the Missouri banking system.

The Treasurer also administers the state's unclaimed property law by collecting unclaimed or abandoned funds and property belonging to Missouri citizens and trying to locate the owners.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**ELECTED OFFICIALS
STATE TREASURER**

ISSUING DUPLICATE AND OUTLAWED CHECKS

These functions allow payment of claims against the state in cases where checks are not presented for payment within 12 months of issuance as required by law and in cases where checks are presented for payment more than five years after the date of issuance.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

ABANDONED FUND ACCOUNT

In accordance with Section 447.543, RSMo, the Abandoned Fund Account has the two-fold purpose of receiving funds that have remained unclaimed for a period of seven years and making the payment of valid claims. Any time the fund exceeds \$50,000, the Treasurer may, and at least once every year shall, transfer the excess to general revenue. If verified claims for payment should reduce the balance in the account to less than \$25,000, the Treasurer shall transfer from general revenue an amount sufficient to restore the fund to \$50,000.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

ATTORNEY GENERAL

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 22,787,151	\$ 25,640,021	\$ 25,990,021
Missouri Office of Prosecution Services	1,263,517	3,349,196	3,349,196
TOTAL	\$ 24,050,668	\$ 28,989,217	\$ 29,339,217
PERSONAL SERVICE			
General Revenue Fund	11,771,367	12,361,727	12,361,727
Federal Funds	1,963,952	2,714,772	2,711,243
Gaming Commission Fund	116,330	109,282	109,282
Merchandising Practices Revolving Fund	696,770	687,036	687,036
Workers' Compensation Fund	346,640	264,048	264,048
Workers' Compensation Fund-Second Injury Fund	1,884,256	1,950,545	1,950,545
Missouri Office of Prosecution Services Fund	225,105	306,646	310,175
Hazardous Waste Fund	283,600	283,601	283,601
Other Funds	361,695	356,904	356,904
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,263,261	2,028,041	2,028,041
Federal Funds	552,986	2,108,409	2,108,409
Gaming Commission Fund	23,699	30,747	30,747
Attorney General's Court Costs Fund	175,483	187,000	187,000
Merchandising Practices Revolving Fund	943,645	1,879,126	1,879,126
Workers' Compensation Fund	9,597	204,053	204,053
Workers' Compensation Fund-Second Injury Fund	830,249	1,067,526	1,067,526
Missouri Office of Prosecution Services Fund	754,337	1,673,795	1,673,795
Hazardous Waste Fund	14,075	14,880	14,880
Other Funds	588,339	233,380	583,380
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	238,260	234,800	234,800
Federal Funds	0	251,899	251,899
Workers' Compensation Fund-Second Injury Fund	0	1,000	1,000
Missouri Office of Prosecution Services Fund	6,147	40,000	40,000
Hazardous Waste Fund	805	0	0
Other Funds	70	0	0
TOTAL			
General Revenue Fund	14,272,888	14,624,568	14,624,568
Federal Funds	2,516,938	5,075,080	5,071,551
Gaming Commission Fund	140,029	140,029	140,029
Attorney General's Court Costs Fund	175,483	187,000	187,000
Merchandising Practices Revolving Fund	1,640,415	2,566,162	2,566,162
Workers' Compensation Fund	356,237	468,101	468,101
Workers' Compensation Fund-Second Injury Fund	2,714,505	3,019,071	3,019,071
Missouri Office of Prosecution Services Fund	985,589	2,020,441	2,023,970
Hazardous Waste Fund	298,480	298,481	298,481
Other Funds	950,104	590,284	940,284
Total Full-time Equivalent Employees	401.11	441.05	446.05
General Revenue Fund	260.36	274.30	274.30
Federal Funds	53.11	62.71	67.71
Other Funds	87.64	104.04	104.04

ELECTED OFFICIALS

ATTORNEY GENERAL

Established by Article IV, Section 12 of the Missouri Constitution the Attorney General takes legal action to protect the rights and interests of the state, defends or prosecutes appeals to which the state is a party, provides opinions regarding state law, and assists prosecuting attorneys in the prosecution of cases. The Office of the Attorney General has several responsibilities for which specific funds have been established by law.

Section 27.080, RSMo, establishes the Attorney General's Court Costs Fund to receive deposits and make payments of court costs in litigation requiring the appearance of the Attorney General. This fund is supplemented by a transfer from general revenue.

Section 416.081, RSMo, creates the Antitrust Revolving Fund which is made up of deposits of ten percent of any court settlement of antitrust litigation involving the Attorney General. This fund is supplemented by a transfer from general revenue.

Chapter 287, RSMo, provides for the Attorney General to charge the Second Injury Fund for the cost of defending the fund.

Section 56.750, RSMo, establishes the Missouri Office of Prosecution Services within the Attorney General's Office. The Prosecution Services Office is funded through fees assessed as court costs in criminal cases. The office was established to develop uniform training and procedures for Missouri's prosecuting attorneys.

Sections 407.1070 to 407.1085, RSMo, establish a no-call database to be maintained by the Attorney General for citizens who object to receiving telephone solicitations at home.

Fiscal Year 2011 Governor's Recommendations

- \$350,000 Healthy Families Trust Fund for the costs of participating in the arbitration of claims arising from the 1998 multi-state tobacco settlement.
- Five staff to enhance Medicaid fraud control efforts.

JUDICIARY

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Supreme Court and State Sentencing				
Advisory Commission	\$ 8,964,992	\$ 8,982,238	\$ 9,228,981	\$ 8,659,312
Office of State Courts Administrator	22,116,926	25,965,170	32,469,330	25,965,170
Court of Appeals	10,577,928	10,874,350	11,581,625	10,874,350
Circuit Courts	136,796,518	138,322,555	157,619,677	138,475,628
Drug Courts	5,725,500	5,725,500	10,404,239	5,725,500
Commission on Retirement, Removal, and				
Discipline of Judges	206,533	220,644	220,644	220,644
Appellate Judicial Commission	7,436	7,741	7,741	7,741
TOTAL	\$ 184,395,833	\$ 190,098,198 *	\$ 221,532,237	\$ 189,928,345
General Revenue Fund	166,217,860	162,749,121	194,506,085	169,227,216
Federal Funds	5,672,637	10,408,187	10,408,187	10,408,187
Federal Budget Stabilization Fund	0	6,647,949	6,325,023	0
Third Party Liability Collections Fund	273,336	380,563	380,563	380,563
Statewide Court Automation Fund	5,437,051	4,446,202	4,446,202	4,446,202
Supreme Court Publications Revolving Fund	67,144	150,000	150,000	150,000
Missouri CASA Fund	83,032	100,000	100,000	100,000
Crime Victims' Compensation Fund	887,200	887,200	887,200	887,200
Circuit Courts Escrow Fund	1,345,585	505,500	505,500	505,500
Basic Civil Legal Services Fund	4,051,148	3,293,476	3,293,476	3,293,476
State Court Administration Revolving Fund	143,186	230,000	230,000	230,000
Domestic Relations Resolution Fund	217,654	300,000	300,000	300,000
Criminal Non-support Court Resources Fund	0	0	1	1
Total Full-time Equivalent Employees	3,334.13	3,389.05	3,800.37	3,391.05
General Revenue Fund	3,223.58	3,106.33	3,517.65	3,246.30
Federal Funds	72.07	239.22	239.22	101.25
Other Funds	38.48	43.50	43.50	43.50

* Does not include \$35,633 and .5 FTE recommended in the Fiscal Year 2010 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Judiciary supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$189.9 million for the Judiciary. The Judiciary ensures Missourians have a fair and accessible forum for the adjudication of civil and criminal charges.

**JUDICIARY
SUPREME COURT**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Judicial Proceedings and Review	\$ 8,903,052	\$ 8,755,329	\$ 8,580,329
National Center State Courts	0	147,926	0
Sentencing Commission	61,940	78,983	78,983
TOTAL	\$ 8,964,992	\$ 8,982,238	\$ 8,659,312
PERSONAL SERVICE			
General Revenue Fund	3,740,938	3,709,230	3,851,976
Federal Funds	149,781	627,772	485,026
Other Funds	47,893	51,968	51,968
EXPENSE AND EQUIPMENT			
General Revenue Fund	978,082	849,427	910,076
Federal Funds	0	383,575	0
Other Funds	66,949	159,966	159,966
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	5,370	0	0
Other Funds	3,975,979	3,200,300	3,200,300
TOTAL			
General Revenue Fund	4,724,390	4,558,657	4,762,052
Federal Funds	149,781	1,011,347	485,026
Other Funds	4,090,821	3,412,234	3,412,234
Total Full-time Equivalent Employees	69.39	84.00	84.00
General Revenue Fund	65.08	71.84	75.00
Federal Funds	3.59	11.16	8.00
Other Funds	0.72	1.00	1.00

The Supreme Court has exclusive appellate jurisdiction in all cases involving: the validity of a treaty or statute of the United States or of a statute or provision of the Missouri Constitution; the construction of the state's revenue laws; the title to any state office; and, in all cases, where the punishment imposed is death. In addition, the court may order cases transferred to it from the Court of Appeals if the cases involve questions of general interest or importance, if the court thinks the existing law should be reexamined, if the lower court opinion conflicts with prior opinions, or for other reasons provided by rule of the court. The Court of Appeals also may order a case transferred to the Supreme Court after opinion either by order of the Court of Appeals itself, or by the dissent of a court of appeals judge.

The court is also authorized by the Constitution to establish rules for practice and procedure in the courts and to make temporary transfers of judicial personnel. In addition to its decision-making powers, the Supreme Court supervises all lower courts in the state (assisted by the Office of State Courts Administrator), licenses all lawyers practicing in Missouri, and disciplines those found guilty of violating the Rules of Professional Conduct.

Fiscal Year 2011 Governor's Recommendations

- \$203,395 and 3.16 staff to replace federal budget stabilization funds.
- (\$322,926) federal funds core reduction for one-times.
- (\$203,395) Federal Budget Stabilization Fund and (3.16) staff core reduction from the Fiscal Year 2010 appropriation level.

**JUDICIARY
OFFICE OF STATE COURTS ADMINISTRATOR**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
State Courts Administrator	\$ 10,968,825	\$ 12,040,136	\$ 12,040,136
Court Improvement Projects	4,594,759	7,858,469	7,858,469
Statewide Court Automation	5,437,051	4,446,202	4,446,202
Judicial Training and Education Transfer	1,116,291	1,620,363	1,620,363
TOTAL	\$ 22,116,926	\$ 25,965,170	\$ 25,965,170
PERSONAL SERVICE			
General Revenue Fund	6,296,528	6,021,200	6,338,105
Federal Funds	1,576,572	2,534,483	2,217,578
Other Funds	1,578,764	1,591,963	1,591,963
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,756,482	4,387,265	4,784,831
Federal Funds	2,264,953	5,931,215	5,533,649
Other Funds	4,801,373	3,801,458	3,801,458
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,116,291	1,297,688	1,395,363
Federal Funds	725,763	398,675	301,000
Other Funds	200	1,223	1,223
TOTAL			
General Revenue Fund	11,169,301	11,706,153	12,518,299
Federal Funds	4,567,288	8,864,373	8,052,227
Other Funds	6,380,337	5,394,644	5,394,644
Total Full-time Equivalent Employees	201.65	215.25	215.25
General Revenue Fund	131.49	129.44	136.00
Federal Funds	38.05	50.81	44.25
Other Funds	32.11	35.00	35.00

The Office of State Courts Administrator fulfills the administrative obligations of the Supreme Court, which are mandated under the judicial article and the statutes. Staff of the office provides technical assistance, statistical analysis, financial system analysis, continuing education, and automation support functions for the courts. The office assists in policy direction for the Statewide Judicial Information System and Missouri Court Automation, collects and analyzes caseload data from the courts, develops and operates appellate and circuit record-keeping systems, develops and operates administrative systems, prepares the judicial budget, and maintains the personnel system for the courts. The office processes payrolls for all state-paid circuit court employees and all other state expenditures of the Supreme Court and circuit courts. The fundamental strategic goal is to build an integrated court system that renders geography largely irrelevant with greater efficiency, wider access, and enhanced accountability for the litigant and taxpayer.

Fiscal Year 2011 Governor's Recommendations

- \$812,146 and 6.56 staff to replace federal budget stabilization funds.
- (\$812,146) Federal Budget Stabilization Fund and (6.56) staff core reduction from the Fiscal Year 2010 appropriation level.

**JUDICIARY
COURT OF APPEALS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Court of Appeals-Western District	\$ 3,532,271	\$ 3,741,618	\$ 3,741,618
Court of Appeals-Eastern District	4,763,620	4,818,437	4,818,437
Court of Appeals-Southern District	2,282,037	2,314,295	2,314,295
TOTAL	\$ 10,577,928	\$ 10,874,350	\$ 10,874,350
PERSONAL SERVICE			
General Revenue Fund	9,444,142	9,458,664	9,740,561
Federal Funds	0	281,897	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,133,786	1,054,424	1,133,789
Federal Funds	0	79,365	0
TOTAL			
General Revenue Fund	10,577,928	10,513,088	10,874,350
Federal Funds	0	361,262	0
Total Full-time Equivalent Employees	152.29	158.85	158.85
General Revenue Fund	152.29	151.51	158.85
Federal Funds	0.00	7.34	0.00

Missouri's current appellate structure is a single Court of Appeals consisting of three districts. The Eastern District sits in St. Louis, the Western District sits in Kansas City, and the Southern District holds sessions in Springfield and Poplar Bluff. The number of judges in each district is set by statute. The Eastern District has 14 judges, the Western District has 11 judges, and the Southern District has 7 judges.

The Court of Appeals may issue and determine original remedial writs and has general appellate jurisdiction in all cases not within the exclusive jurisdiction of the Supreme Court. Cases not within the Supreme Court's exclusive jurisdiction may be transferred from the Court of Appeals to the Supreme Court when it is determined that a case involves an important issue that should be decided by the state's highest court.

Fiscal Year 2011 Governor's Recommendations

- \$361,262 and 7.34 staff to replace federal budget stabilization funds.
- (\$361,262) Federal Budget Stabilization Fund and (7.34) staff core reduction from the Fiscal Year 2010 appropriation level.

**JUDICIARY
CIRCUIT COURTS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Circuit Personnel	\$ 127,300,347	\$ 129,537,155	\$ 129,690,227
Circuit Court Administration	9,496,171	8,785,400	8,785,401
TOTAL	\$ 136,796,518	\$ 138,322,555	\$ 138,475,628
PERSONAL SERVICE			
General Revenue Fund	122,276,853	120,241,375	124,138,858
Federal Funds	751,926	5,287,671	1,541,273
Other Funds	159,855	252,524	252,524
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,979,253	2,364,003	2,821,872
Federal Funds	0	754,543	298,661
Other Funds	213,726	328,639	328,639
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	8,550,666	7,411,960	8,157,900
Federal Funds	203,642	776,940	31,000
Other Funds	1,660,597	904,900	904,901
TOTAL			
General Revenue Fund	133,806,772	130,017,338	135,118,630
Federal Funds	955,568	6,819,154	1,870,934
Other Funds	2,034,178	1,486,063	1,486,064
Total Full-time Equivalent Employees	2,908.75	2,928.20	2,930.20
General Revenue Fund	2,872.67	2,750.79	2,873.70
Federal Funds	30.43	169.91	49.00
Other Funds	5.65	7.50	7.50

Circuit Courts are established by Article V, Section 1 of the Constitution of Missouri. The boundaries, circuit number, and inclusive counties of the 45 circuits are established by Chapter 478, RSMo. The circuit court is the exclusive trial court in Missouri. It is comprised of circuit judges, associate circuit judges, and municipal judges. Municipalities' under 400,000 population may, and those over 400,000 must, make provision for judges to hear municipal ordinance violations. If such provision is not made, municipalities will file such cases before an associate circuit judge.

Fiscal Year 2011 Governor's Recommendations

- \$4,948,220 and 120.91 staff to replace federal budget stabilization funds.
- \$142,529 and two staff for an additional judgeship in Clay County.
- \$10,543 for statutory salary adjustments for circuit court clerks.
- \$1 Criminal Nonsupport Court Resources Fund for legislation implementation.
- (\$4,948,220) Federal Budget Stabilization Fund and (120.91) staff core reduction from the Fiscal Year 2010 appropriation level.

**JUDICIARY
DRUG COURTS**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Drug Courts Transfer			
TOTAL	\$ 5,725,500	\$ 5,725,500	\$ 5,725,500
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	5,725,500	5,725,500	5,725,500
Total Full-time Equivalent Employees	0.00	0.00	0.00

The main purpose of the drug court program is to use the authority of the court to identify those offenders for whom costly incarceration is neither necessary nor in the state's long-term best interest in terms of sound public policy and the efficient allocation of scarce public resources. Under this concept, defendants are diverted to drug court programs in various ways and at various stages of the judicial process, depending on the circumstances. Drug courts provide the court system an additional tool to reduce the number of people coming into the court and penal systems because of substance abuse by reducing the rate of recidivism. Additionally, providing drug treatment programs decreases the negative consequences of drug abuse by reducing the number of additional cases filed involving family disputes, abuse and neglect, truancy, property crimes, and crimes of violence.

Any circuit may establish a drug court that combines judicial supervision drug testing and treatment of drug court participants. A "Drug Court Coordinating Commission" composed of eight members: one member selected by the director of the Department of Corrections, one member selected by the director of the Department of Social Services, one member selected by the director of the Department of Mental Health, one member selected by the director of the Department of Public Safety, one member selected by the Office of State Courts Administrator, and three members selected by the Supreme Court oversees all drug courts established at the circuit level. The commission is to evaluate, secure, coordinate, and allocate funding resources to the various drug courts around the state.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

JUDICIARY
COMMISSION ON RETIREMENT, REMOVAL, AND DISCIPLINE OF JUDGES

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Commission on Retirement, Removal, and Discipline of Judges TOTAL	\$ 206,533	\$ 220,644	\$ 220,644
PERSONAL SERVICE	165,719	177,977	177,977
EXPENSE AND EQUIPMENT	40,814	42,667	42,667
TOTAL			
General Revenue Fund	206,533	220,644	220,644
Total Full-time Equivalent Employees	2.05	2.75	2.75
General Revenue Fund	2.05	2.75	2.75

The Commission on Retirement, Removal, and Discipline of Judges receives and investigates all requests and suggestions concerning retirement for disability and all complaints concerning misconduct of judges, members of the judicial commissions, and members of this commission. The commission is composed of two citizens who are not members of the bar and who are appointed by the Governor, two lawyers appointed by the governing body of the Missouri Bar, one judge of the Court of Appeals selected by a majority of the judges of the Court of Appeals, and one judge of the circuit courts selected by a majority of the circuit judges of this state.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

JUDICIARY
APPELLATE JUDICIAL COMMISSION

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Appellate Judicial Commission			
TOTAL	\$ 7,436	\$ 7,741	\$ 7,741
EXPENSE AND EQUIPMENT			
General Revenue Fund	7,436	7,741	7,741
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Appellate Judicial Commission consists of a judge of the Supreme Court, one member of the bar from each appeals district, and one citizen not a member of the bar from each appeals district. The commission considers vacant judgeships of the Supreme Court or the Court of Appeals. The Circuit Judicial Commission consists of the chief judge of the Court of Appeals over the district, two members of the bar residing in the judicial circuit, and two citizens not members of the bar residing in the circuit. This commission considers vacancies in the office of circuit judge or associate circuit judge in those districts subject to nonpartisan selection of judges.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

OFFICE OF THE STATE PUBLIC DEFENDER

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Defender Services	\$ 30,731,706	\$ 31,649,041	\$ 46,950,278	\$ 33,649,041
Federal Grants	30,906	125,000	125,000	125,000
Legal Defense and Defender Fund	1,686,240	2,980,263	2,980,263	2,980,263
Homicide/Conflict of Interest Cases	3,266,486	2,558,059	2,558,059	2,558,059
DEPARTMENTAL TOTAL	\$ 35,715,338	\$ 37,312,363	\$ 52,613,600	\$ 39,312,363
PERSONAL SERVICE				
General Revenue Fund	26,251,445	27,343,779	36,107,535	28,343,779
Legal Defense and Defender Fund	83,344	129,507	129,507	129,507
EXPENSE AND EQUIPMENT				
General Revenue Fund	7,746,747	6,863,321	13,400,802	7,863,321
Federal Funds	30,906	125,000	125,000	125,000
Legal Defense and Defender Fund	1,550,895	2,812,006	2,795,756	2,795,756
PROGRAM SPECIFIC DISTRIBUTION				
Legal Defense and Defender Fund	52,001	38,750	55,000	55,000
TOTAL				
General Revenue Fund	33,998,192	34,207,100	49,508,337	36,207,100
Federal Funds	30,906	125,000	125,000	125,000
Legal Defense and Defender Fund	1,686,240	2,980,263	2,980,263	2,980,263
Total Full-time Equivalent Employees	550.30	572.13	869.13	572.13
General Revenue Fund	548.36	570.13	867.13	570.13
Other Funds	1.94	2.00	2.00	2.00

DEPARTMENT SUMMARY

The Office of the State Public Defender is an independent department of the judicial branch of state government, and is tasked with fulfilling the constitutional guarantee of legal counsel for indigent persons accused of or convicted of criminal offenses in Missouri's 45 judicial circuits (embracing 114 counties and the City of St. Louis). The system also provides defense representation in civil commitment cases under Missouri's sexually violent predator laws and represents the petitioner in petitions for release from the Department of Mental Health following a commitment on a Not Guilty By Reason of Insanity finding.

The Fiscal Year 2011 budget provides \$39.3 million for the State Public Defender. The Office of the State Public Defender has authorization to expend amounts collected in client contributions to the Legal Defense and Defender Fund and federal grants, should any be received.

Fiscal Year 2011 Governor's Recommendations

- \$2,000,000 for management of caseload growth.

GENERAL ASSEMBLY

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Expenses of the Senate	\$ 10,384,615	\$ 10,960,028	\$ 11,110,028	\$ 11,110,028
Expenses of the House of Representatives	19,384,439	20,531,178	20,531,178	20,531,178
Committee on Legislative Research	2,215,080	2,570,125	2,570,125	2,327,590
Joint Committees of the General Assembly	438,766	604,396	604,396	604,396
Interstate Organizations	305,197	344,597	344,597	0
TOTAL	\$ 32,728,097	\$ 35,010,324	\$ 35,160,324	\$ 34,573,192
General Revenue Fund	32,533,823	34,373,472	34,523,472	34,280,937
Federal Budget Stabilization Fund	0	344,597	344,597	0
House of Representatives Revolving Fund	15,345	45,000	45,000	45,000
Senate Revolving Fund	0	40,000	40,000	40,000
Statutory Revision Fund	178,929	207,255	207,255	207,255
Total Full-time Equivalent Employees	666.75	711.34	714.34	711.17
General Revenue Fund	665.09	710.09	713.09	709.92
Other Funds	1.66	1.25	1.25	1.25

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$34.6 million for the General Assembly. Article III of the Missouri Constitution provides for the legislative branch of Missouri state government, consisting of the House of Representatives and Senate. The Senate is composed of 34 members elected for four-year terms. The House is composed of 163 members elected for two-year terms.

**GENERAL ASSEMBLY
SENATE**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Salaries of Members	\$ 1,136,683	\$ 1,226,610	\$ 1,226,610
Mileage of Members	85,576	96,435	96,435
Per Diem of Members	204,658	226,100	226,100
Senate Contingent Expenses	8,921,062	9,285,883	9,435,883
Joint Contingent Expenses	36,636	125,000	125,000
TOTAL	\$ 10,384,615	\$ 10,960,028	\$ 11,110,028
General Revenue Fund	10,384,615	10,920,028	11,070,028
Senate Revolving Fund	0	40,000	40,000
Total Full-time Equivalent Employees			
	201.83	214.00	217.00
General Revenue Fund	201.83	214.00	217.00

The budget of the Senate includes funding for members' statutory salaries, staff support, interim committee expenses, and travel expense reimbursements, including lodging, meals, and mileage. The Senate appropriation also includes funds for several joint committees.

Fiscal Year 2011 Governor's Recommendations

- \$150,000 and three staff for redistricting.

**GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Salaries of Members	\$ 5,396,394	\$ 5,861,145	\$ 5,861,145
Mileage of Members	410,441	440,491	440,491
Per Diem of Members	988,499	1,290,960	1,290,960
Representatives' Expense Vouchers	1,292,887	1,566,554	1,566,554
House Contingent Expenses	11,280,873	11,327,028	11,327,028
House Revolving Fund	15,345	45,000	45,000
TOTAL	\$ 19,384,439	\$ 20,531,178	\$ 20,531,178
General Revenue Fund	19,369,094	20,486,178	20,486,178
House of Representatives Revolving Fund	15,345	45,000	45,000
Total Full-time Equivalent Employees	414.38	441.84	441.84
General Revenue Fund	414.38	441.84	441.84

The budget of the House includes funding for members' statutory salaries, staff support, interim committee expenses, and travel expense reimbursements, including lodging, meals, and mileage.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

**GENERAL ASSEMBLY
COMMITTEE ON LEGISLATIVE RESEARCH**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Administration	\$ 923,501	\$ 1,054,354	\$ 1,054,354
Statute Publication	558,978	587,714	587,714
Oversight Division	566,438	685,522	685,522
Budget Office	166,163	242,535	0
TOTAL	\$ 2,215,080	\$ 2,570,125	\$ 2,327,590
General Revenue Fund	2,036,151	2,362,870	2,120,335
Statutory Revision Fund	178,929	207,255	207,255

Total Full-time Equivalent Employees	41.55	46.50	43.33
General Revenue Fund	39.89	45.25	42.08
Other Funds	1.66	1.25	1.25

Sections 23.010 through 23.190, RSMo, establishes a permanent joint committee of the General Assembly. It is comprised of the chair of the Senate Appropriations Committee and nine other senators, and the chair of the House Budget Committee and nine other representatives. The Committee on Legislative Research has staff support to perform the following services for the members of the General Assembly:

- Provide a research and reference service on legislative issues.
- Make investigations into legislative and governmental institutions to aid the General Assembly.
- Assist any interim legislative committee or commission created by the General Assembly.
- Draft or aid in drafting bills, resolutions, memorials, and amendments.
- Prepare fiscal notes for legislation introduced in either house of the General Assembly.
- Conduct management audits and performance audits of state agencies.
- Maintain a legislative library for a reference service to the General Assembly and public.

Fiscal Year 2011 Governor's Recommendations

- (\$242,535) and (3.17) staff core reduction from the Fiscal Year 2010 appropriation level.

**GENERAL ASSEMBLY
JOINT COMMITTEES**

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Joint Committee on Corrections	\$ 785	\$ 12,000	\$ 12,000
Joint Committee on Administrative Rules	108,753	128,977	128,977
Joint Committee on Public Employee Retirement	117,655	169,274	169,274
Joint Committee on Capital Improvements and Leases Oversight	89,275	129,300	129,300
Joint Committee on Transportation	15,214	5,000	5,000
Joint Committee on Tax Policy	57,124	78,045	78,045
Joint Committee on Education	49,960	81,800	81,800
TOTAL	\$ 438,766	\$ 604,396	\$ 604,396
General Revenue Fund	438,766	604,396	604,396

Total Full-time Equivalent Employees	8.99	9.00	9.00
General Revenue Fund	8.99	9.00	9.00

These are statutory committees composed of members of the House and Senate.

Fiscal Year 2011 Governor's Recommendations

Continue funding at the current level.

INTERSTATE ORGANIZATIONS

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	GOVERNOR RECOMMENDS FY 2011
Interstate Organization Dues	\$ 305,197	\$ 344,597	\$ 0
General Revenue Fund	305,197	0	0
Federal Budget Stabilization Fund	0	344,597	0

Missouri's dues to the Council of State Governments, the National Conference of State Legislatures, ALEC (American Legislative Exchange Council), and the National Conference of Commissioners on Uniform State Laws are paid from these funds.

Fiscal Year 2011 Governor's Recommendations

- (\$344,597) Federal Budget Stabilization Fund core reduction from the Fiscal Year 2010 appropriation level.

STATEWIDE REAL ESTATE

FINANCIAL SUMMARY

	FY 2009 EXPENDITURE	FY 2010 APPROPRIATION	FY 2011 REQUEST	GOVERNOR RECOMMENDS FY 2011
Department of Elementary & Secondary Education	\$ 6,560,615	\$ 6,744,919	\$ 6,642,532	\$ 7,942,430
Department of Higher Education	313,462	326,895	315,420	315,420
Department of Revenue	1,995,168	2,003,351	1,945,705	1,945,705
Office of Administration	2,601,626	2,443,439	2,415,968	2,397,140
Department of Agriculture	1,180,265	1,278,210	1,334,357	1,334,357
Department of Natural Resources	3,215,343	3,276,542	3,234,281	3,234,281
Department of Economic Development	4,184,949	4,307,206	4,185,353	4,185,353
Department of Insurance, Financial Institutions and Professional Registration	1,000,144	977,574	980,332	980,332
Department of Labor and Industrial Relations	1,765,790	1,643,900	1,702,777	1,702,777
Department of Public Safety	11,124,521	12,957,275	14,129,351	14,058,690
Department of Corrections	48,109,626	53,747,222	52,933,321	52,758,449
Department of Mental Health	16,348,406	16,270,672	16,762,831	24,911,125
Department of Health and Senior Services	5,854,105	5,884,547	5,777,548	5,777,548
Department of Social Services	23,976,029	24,386,407	24,185,884	24,115,638
Elected Officials	5,812,906	6,302,899	6,281,727	6,281,727
Judiciary	2,723,620	2,885,811	2,759,542	2,759,542
TOTAL	\$ 136,766,575	\$ 145,436,869	\$ 145,586,929	\$ 154,700,514
General Revenue Fund	102,891,031	108,829,275	109,471,503	118,573,063
Federal Funds	21,680,977	23,507,968	23,189,334	23,195,547
Other Funds	12,194,567	13,099,626	12,926,092	12,931,904

DEPARTMENT SUMMARY

The Fiscal Year 2011 budget provides \$154.7 million for Statewide Real Estate. The Office of Administration's Division of Facilities Management, Design and Construction (FMDC) provides oversight for all leased facilities, state-owned facilities, and most institutional facilities. FMDC continues efforts to terminate leases and consolidate state agencies within state-owned space where possible. The consolidation of space has allowed the redirection of existing funds to offset other costs. FMDC has implemented several initiatives to reduce the cost of facilities, including extensive contract negotiations and reducing energy usage.

FMDC provides asset management for all state-owned, leased properties, and institutional facilities totaling in excess of 25 million square feet of space. The following departments are located within those facilities:

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

FMDC is responsible for the oversight and management of approximately 36 lease contracts, totaling over 192,000 square feet, approximately 176,000 square feet of space located within state-owned facilities, and approximately 1,100,000 square feet of institutional space on behalf of the Department of Elementary and Secondary Education.

Fiscal Year 2011 Governor's Recommendations

- \$96,911 for fringes related to real estate administrative charges, including \$65,997 general revenue.
- \$52,263 for the costs associated with state-owned, institutional, and leased space, including \$32,819 general revenue.
- \$1,359,105 transferred from the Department of Elementary and Secondary Education for additional maintenance consolidation, including \$1,347,080 general revenue.
- \$22,695 federal and other funds transferred from the Department of Elementary and Secondary Education for Missouri Assistive Technology leased space.
- (\$333,463) core reduction from the Fiscal Year 2010 appropriation level, including (\$39,049) general revenue.

STATEWIDE REAL ESTATE

DEPARTMENT OF HIGHER EDUCATION

FMDC is responsible for the oversight and management of two lease contracts, approximately 25,000 square feet of leased space on behalf of the Department of Higher Education.

Fiscal Year 2011 Governor's Recommendations

- \$6,441 for the costs associated with state-owned, institutional, and leased space, including \$2,190 general revenue.
- (\$17,916) core reduction from the Fiscal Year 2010 appropriation level, including (\$6,617) general revenue.

DEPARTMENT OF REVENUE

FMDC is responsible for the oversight and management of 14 lease contracts, totaling over 43,000 square feet and approximately 298,000 square feet of space located within state-owned facilities on behalf of the Department of Revenue and the Tax Commission. In addition, FMDC is also responsible for the oversight and management of approximately three lease contracts, totaling over 26,000 square feet, approximately 400 square feet of space located within state-owned facilities, and approximately 79,000 square feet of institutional space on behalf of the Lottery Commission.

Fiscal Year 2011 Governor's Recommendations

- \$55,357 for the costs associated with state-owned, institutional, and leased space, including \$48,173 general revenue.
- \$19,606 for fringes to real estate administrative charges.
- (\$132,609) core reduction from the Fiscal Year 2010 appropriation level, including (\$39,626) general revenue.

OFFICE OF ADMINISTRATION

FMDC is responsible for the oversight and management of 15 lease contracts, totaling over 80,000 square feet and approximately 398,000 square feet of space located within state-owned facilities on behalf of the Office of Administration. In addition, FMDC is responsible for the oversight and management of one lease contract for approximately 7,000 square feet of leased space on behalf of the Ethics Commission.

Additionally, FMDC is responsible for the oversight and management of four non-state leases, totaling over 12,600 square feet and approximately 68,000 square feet of non-state tenant space located within state-owned facilities. FMDC is also responsible for over 63,000 square feet of non-state tenant institutional space.

Fiscal Year 2011 Governor's Recommendations

- \$62,424 for fringes to real estate administrative charges, including \$61,138 general revenue.
- \$15,180 for the costs associated with state-owned, institutional, and leased space, including \$14,716 general revenue.
- (\$120,735) core reduction from the Fiscal Year 2010 appropriation level.
- (\$3,168) other funds reallocated within the Office of Administration to reflect actual expenditure levels.

DEPARTMENT OF AGRICULTURE

FMDC is responsible for the oversight and management of nine lease contracts, totaling approximately 28,000 square feet, approximately 55,000 square feet of space located within state-owned facilities, and approximately 587,000 square feet of institutional space on behalf of the Department of Agriculture.

Fiscal Year 2011 Governor's Recommendations

- \$53,939 for costs associated with state-owned, institutional, and leased space, including \$26,352 general revenue.
- \$11,804 for fringes related to real estate administrative charges, including \$8,344 general revenue.
- \$3,280 Missouri Wine and Grape Fund transferred from the Department of Agriculture for additional leased space.
- \$572 federal funds reallocated within the Department of Agriculture to reflect actual expenditure levels.
- (\$12,876) core reduction from the Fiscal Year 2010 appropriation level, including (\$12,505) general revenue.
- (\$572) other funds reallocated within the Department of Agriculture to reflect actual expenditure levels.

STATEWIDE REAL ESTATE

DEPARTMENT OF NATURAL RESOURCES

FMDC is responsible for the oversight and management of approximately 34 lease contracts, totaling approximately 152,000 square feet and approximately 180,000 square feet of space located within state-owned facilities on behalf of the Department of Natural Resources.

Fiscal Year 2011 Governor's Recommendations

- \$48,567 for the costs associated with state-owned, institutional, and leased space, including \$17,574 general revenue.
- \$40,260 for fringes related to real estate administrative charges, including \$9,243 general revenue.
- \$25,694 Department of Natural Resources Cost Allocation Fund reallocated to reflect actual expenditure levels.
- (\$131,088) core reduction from the Fiscal Year 2010 appropriation level, including (\$844) general revenue.
- (\$25,694) federal funds reallocated within the Department of Natural Resources to reflect actual expenditure levels.

DEPARTMENT OF ECONOMIC DEVELOPMENT

FMDC is responsible for the oversight and management of approximately 36 lease contracts, totaling over 212,000 square feet and approximately 208,000 square feet of space located within state-owned facilities on behalf of the Department of Economic Development.

Fiscal Year 2011 Governor's Recommendations

- \$173,999 for the costs associated with state-owned, institutional, and leased space, including \$154,857 general revenue.
- \$43,460 for fringes related to real estate administrative charges, including \$5,321 general revenue.
- \$35,848 other funds reallocated within the Department of Economic Development to reflect actual expenditure levels.
- (\$339,312) federal and other funds core reduction from the Fiscal Year 2010 appropriation level.
- (\$35,848) Division of Job Development and Training Fund reallocated to reflect actual expenditure levels.

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FMDC is responsible for the oversight and management of six lease contracts, totaling over 9,000 square feet and approximately 118,000 square feet of space located within state-owned facilities on behalf of the Department of Insurance, Financial Institutions and Professional Registration.

Fiscal Year 2011 Governor's Recommendations

- \$24,819 other funds for fringes related to real estate administrative charges.
- \$9,412 other funds for the costs associated with state-owned, institutional, and leased space.
- (\$31,473) other funds core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

FMDC is responsible for the oversight and management of 14 lease contracts, totaling over 20,000 square feet and approximately 244,000 square feet of space located within state-owned facilities on behalf of the Department of Labor and Industrial Relations.

Fiscal Year 2011 Governor's Recommendations

- \$53,151 for the costs associated with state-owned, institutional, and leased space, including \$2,385 general revenue.
- \$37,251 for fringes related to real estate administrative charges, including \$1,657 general revenue.
- \$53,338 federal funds reallocated within the Department of Labor and Industrial Relations to reflect actual expenditure levels.
- (\$53,653) other funds reallocated within the Department of Labor and Industrial Relations to reflect actual expenditure levels.
- (\$31,210) core reduction from the Fiscal Year 2010 appropriation level, including (\$563) general revenue.

STATEWIDE REAL ESTATE

DEPARTMENT OF PUBLIC SAFETY

FMDC is responsible for the oversight and management of 153 lease contracts, totaling over 70,000 square feet, approximately 49,000 square feet of space located within state-owned facilities, and approximately 1,000,000 square feet of institutional space on behalf of the Department of Public Safety's Office of the Director, Veterans' Commission, Liquor Control, Capitol Police, Water Patrol and Fire Marshal.

In addition, FMDC is responsible for the oversight and management of four lease contracts for approximately 37,000 square feet of space on behalf of the Gaming Commission; approximately 219 lease contracts, totaling over 101,000 square feet, approximately 14,000 square feet of space located within state-owned facilities, and approximately 453,000 square feet of institutional space on behalf of the Missouri State Highway Patrol; and 19 lease contracts, totaling approximately 78,000 square feet of space within leased facilities on behalf of the Missouri Adjutant General.

Fiscal Year 2011 Governor's Recommendations

- \$1,236,783 for the costs associated with state-owned, institutional, and leased space, including \$838,704 general revenue.
- \$79,603 State Highways and Transportation Department Fund for the Highway Patrol Tower at Troop C, Weldon Springs.
- \$59,057 for fringes related to real estate administrative charges, including \$24,252 general revenue.
- \$11,000 Veterans' Commission Capital Improvement Trust Fund transferred from the Department of Public Safety for cemetery utilities.
- \$165 State Emergency Management Fund reallocated to reflect actual expenditure levels.
- (\$285,028) core reduction from the Fiscal Year 2010 appropriation level, including (\$86,527) general revenue.
- (\$165) Crime Victims Compensation Fund reallocated to reflect actual expenditure levels.

DEPARTMENT OF CORRECTIONS

FMDC is responsible for the oversight and management of approximately 137 lease contracts, totaling over 538,000 square feet and approximately 93,000 square feet of space located within state-owned facilities, and approximately 10,000,000 square feet of institutional space on behalf of the Department of Corrections.

Fiscal Year 2011 Governor's Recommendations

- \$927,271 for fringes related to real estate administrative charges.
- \$55,259 for the costs associated with state-owned, institutional, and leased space, including \$39,355 general revenue.
- (\$1,971,303) core reduction from the Fiscal Year 2010 appropriation level.

DEPARTMENT OF MENTAL HEALTH

FMDC is responsible for the oversight and management of 35 lease contracts, totaling 119,000 square feet and approximately 127,000 square feet of space located within state-owned facilities, and approximately 4,300,000 square feet of institutional space on behalf of the Department of Mental Health.

Fiscal Year 2011 Governor's Recommendations

- \$504,689 for the costs associated with state-owned, institutional, and leased space, including \$501,997 general revenue.
- \$295,965 for fringes related to real estate administrative charges, including \$288,557 general revenue.
- \$8,395,521 transferred from the Department of Mental Health for additional maintenance consolidation.
- (\$555,722) core reduction from the Fiscal Year 2010 appropriation level, including (\$534,238) general revenue.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

FMDC is responsible for the oversight and management of approximately 90 lease contracts, totaling over 339,000 square feet and approximately 180,000 square feet of space located within state-owned facilities on behalf of the Department of Health and Senior Services.

Fiscal Year 2011 Governor's Recommendations

- \$94,242 for the costs associated with state-owned, institutional, and leased space, including \$41,391 general revenue.
- \$47,789 for fringes related to real estate administrative charges, including \$19,658 general revenue.
- (\$249,030) core reduction from the Fiscal Year 2010 appropriation level, including (\$43,058) general revenue.

STATEWIDE REAL ESTATE

DEPARTMENT OF SOCIAL SERVICES

FMDC is responsible for the oversight and management of approximately 167 lease contracts, totaling over 1.2 million square feet, approximately 780,000 square feet of space located within state-owned facilities, and approximately 427,000 square feet of institutional space on behalf of the Department of Social Services.

Fiscal Year 2011 Governor's Recommendations

- \$412,877 for the costs associated with state-owned, institutional, and leased space, including \$214,560 general revenue.
- \$173,703 for fringes related to real estate administrative charges, including \$152,243 general revenue.
- \$22,408 Temporary Assistance for Needy Families-Federal Funds reallocated to reflect actual expenditure levels.
- \$2,376 transferred from the Department of Social Services, including \$1,188 general revenue.
- (\$859,725) core reduction from the Fiscal Year 2010 appropriation level, including (\$538,300) general revenue.
- (\$22,408) other funds reallocated within the Department of Social Services to reflect actual expenditure levels.

ELECTED OFFICIALS

FMDC is responsible for the oversight and management of approximately 42,000 square feet of space located within state-owned facilities on behalf of the Governor's Office; approximately 5,000 square feet of space located within state-owned facilities on behalf of the Lt. Governor's Office; approximately eight lease contracts, totaling over 105,000 square feet and approximately 172,000 square feet of space located within state-owned facilities on behalf of the Secretary of State; three parking lease contracts and approximately 30,000 square feet of space located within state-owned facilities on behalf of the State Auditor; approximately 27,000 square feet of space located within state-owned facilities on behalf of the State Treasurer's Office; approximately 14 lease contracts, totaling approximately 46,000 square feet and approximately 106,000 square feet of space located within state-owned facilities on behalf of the Attorney General; and 4,000 square feet of leased space and approximately 285,000 square feet of space located within state-owned facilities on behalf of the Missouri Legislature.

Fiscal Year 2011 Governor's Recommendations

- \$127,752 for fringes related to real estate administrative charges, including \$113,665 general revenue.
- \$106,700 for the costs associated with state-owned, institutional, and leased space, including \$101,268 general revenue.
- (\$255,624) core reduction from the Fiscal Year 2010 appropriation level, including (\$233,119) general revenue.

JUDICIARY

FMDC is responsible for the oversight and management of seven lease contracts, totaling over 146,000 square feet and approximately 46,000 square feet of space located within state-owned facilities on behalf of the Courts of Appeals and the State Courts Administrator.

Fiscal Year 2011 Governor's Recommendations

- \$13,279 for the costs associated with state-owned, institutional, and leased space, included \$11,645 general revenue.
- \$7,690 for fringes related to real estate administrative charges.
- (\$147,238) core reduction from the Fiscal Year 2010 appropriation level, including (\$126,145) general revenue.

SUPPLEMENTAL APPROPRIATIONS

The Governor's recommendations for Fiscal Year 2010 Supplemental Appropriations include \$86,168,682 general revenue, \$112,994,110 Federal Budget Stabilization Funds, \$186,620,232 federal funds, and \$44,138,436 other funds, for a total of \$429,921,460.

FISCAL YEAR 2010 SUPPLEMENTAL RECOMMENDATIONS

	<u>GENERAL REVENUE</u>	<u>FEDERAL BUDGET STABILIZATION FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL*</u>
Department of Elementary and Secondary Education	\$ 86,168,682	\$ 4,490,222	\$ 28,700,000	\$ 23,000,010	\$ 142,358,914
Department of Revenue	0	2,974,158	53,030	0	3,027,188
Office of Administration	0	25,000	0	0	25,000
Department of Insurance, Financial Institutions and Professional Registration	0	0	0	5,000	5,000
Department of Labor and Industrial Relations	0	175,000	0	0	175,000
Department of Public Safety	0	1,099,947	0	4,207,940	5,307,887
Department of Corrections	0	280,641	0	0	280,641
Department of Mental Health	0	2,712,493	996,701	1,525,484	5,234,678
Department of Health and Senior Services	0	21,031,404	37,651,179	1	58,682,584
Department of Social Services	0	80,169,612	119,219,322	15,400,001	214,788,935
Judiciary	0	35,633	0	0	35,633
TOTAL HOUSE BILL 2014	\$ 86,168,682	\$ 112,994,110	\$ 186,620,232	\$ 44,138,436	\$ 429,921,460

*Excludes refunds and other items not included in Executive Budget totals.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION DIVISION OF ADMINISTRATION AND FINANCIAL SERVICES/SPECIAL EDUCATION EQUITY FORMULA/EARLY CHILDHOOD SPECIAL EDUCATION

H.B. Sec. 14.005	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Federal Budget Stabilization Fund	\$ 516,880,871	\$ 0	\$ 3,901,597
Lottery Proceeds Fund	108,979,552	1E	0
State School Moneys Fund	1,878,491,477	46,902,182E	23,000,010
Outstanding Schools Trust Fund	517,647,395	1E	0
Classroom Trust Fund	307,100,979	1E	0
Schools First Elementary and Secondary Education Improvement Fund	103,727,874	1E	0
TOTAL	\$ 3,432,828,148	\$ 46,902,186	\$ 26,901,607

The Governor recommends \$23,000,010 to meet the state maintenance of effort requirements necessary for receipt of the federal American Recovery and Reinvestment Act of 2009 funds and \$3,901,597 for increased costs of the Early Childhood Special Education Program.

**SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF SCHOOL IMPROVEMENT
RACE TO THE TOP COMPETITIVE GRANT**

H.B. Sec. 14.010	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
EXPENSE AND EQUIPMENT	\$ 0	\$ 0	\$ 10,000,000E
PROGRAM SPECIFIC DISTRIBUTION	0	0	10,000,000E
TOTAL	\$ 0	\$ 0	\$ 20,000,000
Federal Funds	0	0	20,000,000

The Governor recommends \$20,000,000 on an open-ended basis for the American Recovery and Reinvestment Act of 2009 Race to the Top competitive grants being made for school improvement programming.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF VOCATIONAL REHABILITATION
DISABILITY DETERMINATION PROGRAM**

H.B. Sec. 14.015	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	\$ 14,000,000	\$ 1,500,000	\$ 1,500,000

The Governor recommends \$1,500,000 for additional disability determinations.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF CAREER EDUCATION
AFTERSCHOOL PROGRAMMING**

H.B. Sec. 14.020	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	\$ 17,408,383	\$ 7,200,000	\$ 7,200,000
After-School Retreat Reading and Assessment			
Grant Program Fund	10,000E	0	0
TOTAL	\$ 17,418,383	\$ 7,200,000	\$ 7,200,000

The Governor recommends \$7,200,000 for an increase in federal funding capacity for the afterschool programming provided through the federal 21st Century Community Learning Centers.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF SPECIAL EDUCATION
HIGH NEED PROGRAM**

H.B. Sec. 14.025	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 1,421,563	\$ 2,588,625	\$ 0
Federal Budget Stabilization Fund	0	0	588,625
Lottery Proceeds Fund	19,590,000	0	0
Schools First Elementary and Secondary			
Education Improvement Fund	4,874,682	0	0
TOTAL	\$ 25,886,245	\$ 2,588,625	\$ 588,625

The Governor recommends \$588,625 for increased costs of the High Need Program.

SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF ADMINISTRATION AND FINANCIAL SERVICES/SPECIAL EDUCATION
EQUITY FORMULA TRANSFER

H.B. Sec. 14.030	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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TRANSFER

General Revenue Fund	\$ 1,712,136,845	\$ 0	\$ 86,168,682E
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The Governor recommends \$23,000,010 to meet the state maintenance of effort requirements necessary for receipt of the federal American Recovery and Reinvestment Act of 2009 funds and \$63,168,672 on an open-ended basis to meet revenue shortfalls of the state funds.

DEPARTMENT OF REVENUE
DIVISION OF MOTOR VEHICLE AND DRIVER LICENSING

H.B. Sec. 14.035	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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EXPENSE AND EQUIPMENT

General Revenue Fund	\$ 2,377,505	\$ 90,000	\$ 0
Federal Budget Stabilization Fund	0	0	90,000
TOTAL	\$ 2,377,505	\$ 90,000	\$ 90,000

The Governor recommends \$90,000 for license plate cost increases.

DEPARTMENT OF REVENUE
DIVISION OF ADMINISTRATION

H.B. Sec. 14.040	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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TRANSFER

General Revenue Fund	\$ 0	\$ 2,884,158	\$ 0
Federal Budget Stabilization Fund	0	0	2,884,158
TOTAL	\$ 0	\$ 2,884,158	\$ 2,884,158

The Governor recommends \$2,884,158 for transfer to the State Highways and Transportation Department Fund for collection costs that exceeded the constitutional three-percent limit.

DEPARTMENT OF REVENUE
DIVISION OF LEGAL SERVICES

H.B. Sec. 14.045	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PERSONAL SERVICE

Federal Funds	\$ 0	\$ 195,824	\$ 53,030E
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The Governor recommends \$53,030 on an open-ended basis and 1.5 FTE to handle driver license suspension, revocation, and denial appeal cases in the Missouri Court of Appeals and Missouri Supreme Court.

**SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF REVENUE
DIVISION OF ADMINISTRATION**

H.B. Sec. 14.050	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

Debt Offset Escrow Fund	\$	0	\$	457,059E	\$	457,059E
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The Governor recommends \$457,059 on an open-ended basis for the satisfaction of debts owed to other state governments with reciprocal agreements.

**OFFICE OF ADMINISTRATION
DIVISION OF PURCHASING AND MATERIALS MANAGEMENT**

H.B. Sec. 14.055	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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EXPENSE AND EQUIPMENT

General Revenue Fund	\$	0	\$	81,750	\$	0
Federal Budget Stabilization Fund		0		0		25,000
TOTAL	\$	0	\$	81,750	\$	25,000

The Governor recommends \$25,000 for an agreed settlement of a phone services civil action.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE BOARD OF NURSING**

H.B. Sec. 14.060	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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EXPENSE AND EQUIPMENT

Board of Nursing Fund	\$	752,496	\$	5,000	\$	5,000
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The Governor recommends \$5,000 for payment of attorney fees and expenses.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION
LINE OF DUTY COMPENSATION PROGRAM**

H.B. Sec. 14.065	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

Line of Duty Compensation Fund	\$	0	\$	175,000E	\$	175,000E
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The Governor recommends \$175,000 on an open-ended basis for compensation to families of emergency personnel killed in the line of duty.

**SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION
LINE OF DUTY COMPENSATION PROGRAM**

H.B. Sec. 14.070	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER			
General Revenue Fund	\$ 0	\$ 175,000	\$ 0
Federal Budget Stabilization Fund	0	0	175,000
TOTAL	\$ 0	\$ 175,000	\$ 175,000

The Governor recommends \$175,000 for transfer to the Line of Duty Compensation Fund for compensation to families of emergency personnel killed in the line of duty.

**DEPARTMENT OF PUBLIC SAFETY
MISSOURI STATE HIGHWAY PATROL
CRIME LAB - DNA PROFILING SYSTEM**

H.B. Sec. 14.075	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
EXPENSE AND EQUIPMENT			
General Revenue Fund	\$ 473,758	\$ 1,099,947	\$ 0
Federal Budget Stabilization Fund	0	0	1,099,947
TOTAL	\$ 473,758	\$ 1,099,947	\$ 1,099,947

The Governor recommends \$1,099,947 for the Missouri State Highway Patrol Crime Lab DNA Profiling System.

**DEPARTMENT OF PUBLIC SAFETY
MISSOURI STATE HIGHWAY PATROL
INTEROPERABLE COMMUNICATIONS SYSTEM PROJECT**

H.B. Sec. 14.080	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
EXPENSE AND EQUIPMENT			
State Highways and Transportation Department Fund	\$ 2,350,000	\$ 4,207,940	\$ 4,207,940

The Governor recommends \$4,207,940 for the Interoperable Communications System project.

**SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF CORRECTIONS
OFFICE OF THE DIRECTOR
POPULATION GROWTH POOL**

H.B. Sec. 14.085	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
General Revenue Fund	\$ 2,211,863	\$ 0	\$ 0
Federal Budget Stabilization Fund	0	0	137,283
EXPENSE AND EQUIPMENT			
General Revenue Fund	59,200	0	0
Federal Budget Stabilization Fund	0	0	143,358
TOTAL	\$ 2,271,063	\$ 0	\$ 280,641

The Governor recommends \$280,641 and 4.75 FTE to fund relocation of the juvenile unit at Northeast Correctional Center (NECC) to Western Reception, Diagnostic and Correctional Center (WRDCC) to address institutional capacity issues.

**DEPARTMENT OF MENTAL HEALTH
AGENCY-WIDE**

H.B. Sec. 14.090	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
General Revenue Fund	\$ 1,410,617	\$ 2,708,822	\$ 0
Federal Budget Stabilization Fund	0	0	2,666,503
Federal Funds	0	996,701	996,701
TOTAL	\$ 1,410,617	\$ 3,705,523	\$ 3,663,204

The Governor recommends \$3,663,204 for expected increases in overtime costs.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES
YOUTH COMMUNITY PROGRAMS**

H.B. Sec. 14.095	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 23,383,370	\$ 45,990	\$ 0
Federal Budget Stabilization Fund	318,255	0	45,990
Federal Funds	24,055,097E	0	0
DMH Local Tax Matching Fund	552,824E	0	0
TOTAL	\$ 48,309,546	\$ 45,990	\$ 45,990

The Governor recommends \$45,990 to provide rate equity for children's residential providers.

**SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF MENTAL HEALTH
DIVISION OF DEVELOPMENTAL DISABILITIES**

H.B. Sec. 14.100	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

Home and Community-Based Developmental Disabilities Waiver Reimbursement Allowance Fund	\$ 0	\$ 1,525,484E	\$ 1,525,484E
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The Governor recommends \$1,525,484 on an open-ended basis to purchase community support services for individuals with developmental disabilities, pending Centers for Medicare and Medicaid Services approval of the new provider fee.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
OFFICE OF THE DIRECTOR**

H.B. Sec. 14.105	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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EXPENSE AND EQUIPMENT

General Revenue Fund	\$ 34,912	\$ 0	\$ 0
Federal Budget Stabilization Fund	0	0	17,612
Federal Funds	403,297	0	0
TOTAL	\$ 438,209	\$ 0	\$ 17,612

The Governor recommends \$17,612 for payment of attorney fees.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF SENIOR AND DISABILITY SERVICES
HOME AND COMMUNITY BASED SERVICES**

H.B. Sec. 14.110	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

General Revenue Fund	\$ 172,438,881	\$ 16,901,597	\$ 0
Federal Budget Stabilization Fund	0	0	21,013,792
Federal Funds	308,965,029E	30,283,208	37,651,179E
In-Home Services Reimbursement Allowance Fund	1E	0	0
In-Home Services Gross Receipts Tax Fund	0	0	1E
TOTAL	\$ 481,403,911	\$ 47,184,805	\$ 58,664,972

The Governor recommends \$58,664,971 for increases in service demand in the MO HealthNet Home and Community Based Services Program and \$1 on an open-ended basis to implement the in-home services provider tax, should it be approved by Centers for Medicare and Medicaid Services.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF SENIOR AND DISABILITY SERVICES
HOME AND COMMUNITY BASED SERVICES**

H.B. Sec. 14.115	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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TRANSFER

General Revenue Fund	\$ 0	\$ 0	\$ 1E
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The Governor recommends \$1 on an open-ended basis for transfer to the In-Home Services Gross Receipts Tax Fund to implement the in-home services provider tax, should it be approved by Centers for Medicare and Medicaid Services.

SUPPLEMENTAL APPROPRIATIONS
DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF SENIOR AND DISABILITY SERVICES
HOME AND COMMUNITY BASED SERVICES

H.B. Sec. 14.120	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER			
In-Home Services Reimbursement Allowance Fund	\$ 1E	\$ 0	\$ 0
In-Home Services Gross Receipts Tax Fund	0	0	1E
TOTAL	\$ 1	\$ 0	\$ 1

The Governor recommends \$1 on an open-ended basis for transfer to the General Revenue Fund to implement the in-home services provider tax, should it be approved by Centers for Medicare and Medicaid Services.

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION
TIER 1 SAFETY NET HOSPITALS

H.B. Sec. 14.125	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Department of Social Services Intergovernmental			
Transfer Fund	\$ 66,300,000E	\$ 0	\$ 1E
Federal Funds	112,900,000E	0	0
TOTAL	\$ 179,200,000	\$ 0	\$ 1

The Governor recommends \$1 on an open-ended basis to maximize federal Medicaid funds for eligible costs.

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION
MO HEALTHNET PROGRAM

H.B. Sec. 14.130	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 0	\$ 84,822,249	\$ 0
Federal Budget Stabilization Fund	0	0	80,169,612
Federal Funds	24,107,486	77,460,456	119,219,322
Life Sciences Research Trust Fund	0	0	9,000,000
Premium Fund	3,837,940	0	0
Third Party Liability Collections Fund	7,571,156	0	0
Uncompensated Care Fund	1	0	700,000
Federal Reimbursement Allowance Fund	1	0	0
Nursing Facility Federal Reimbursement			
Allowance Fund	181,500	0	0
Pharmacy Rebates Fund	0	0	5,700,000
TOTAL	\$ 35,698,084	\$ 162,282,705	\$ 214,788,934

The Governor recommends \$214,788,934 for additional funding necessary to operate the MO HealthNet programs for Fiscal Year 2010, largely due to caseload growth.

SUPPLEMENTAL APPROPRIATIONS
JUDICIARY
CIRCUIT COURTS
CLAY COUNTY JUDGESHIP

H.B. Sec. 14.135	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
General Revenue Fund	\$ 120,241,375	\$ 0	\$ 0
Federal Budget Stabilization Fund	0	0	35,136
EXPENSE AND EQUIPMENT			
General Revenue Fund	571,003	0	0
Federal Budget Stabilization Fund	0	0	497
TOTAL	\$ 120,812,378	\$ 0	\$ 35,633

The Governor recommends \$35,633 and .5 FTE to fund a new statutorily required judgeship due to Clay County having a population of over 200,000 for the required three-year timeframe.